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Classes A and B

WISCONSIN PUBLIC SERVICE
COMMISSION

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RECEIVED

**PRIVATE UTILITY
ANNUAL REPORT**

OF

Name: Madison Gas and Electric Company

Principal Office: 133 South Blair Street
Post Office Box 1231
Madison, Wisconsin 53701-1231

For the Year Ended: December 31, 2003

ELECTRIC, WATER, OR GAS UTILITY

TO

PUBLIC SERVICE COMMISSION OF WISCONSIN

**P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766**

This form is required under Wis. Stat. §196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

General Rules For Reporting

1. Prepare the report in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin.
2. The original copy filed with the Commission must be typed with a black ribbon on the original forms supplied by the Commission unless other forms have been preapproved.
3. Numeric items may contain digits (0-9), a decimal point, and a minus sign "-". Parentheses may also be used to indicate negative values.
4. The annual report should be complete in itself in all particulars. Reference to returns of former years or to other reports should not be made to take the place of required entries except as otherwise specifically authorized.
5. Where information called for herein is not given, state fully the reason for its omission. If the answer to any query is "none" or if any of the schedules are not applicable to the reporting utility, the word "none" should be filled in the space provided for answer or the words "not applicable" should be written across space on the schedules for amounts.
6. If more than one page is required to complete a schedule, type "1" after "Copy" on the top of the first page. Type consecutive numbers, beginning with "2", after "Copy" on the following identical pages.
7. Do not modify account titles. If it is necessary or desirable, insert additional statements for the purpose of further explanation of schedules. Each insert sheet should bear the title of the schedule to which it pertains.
8. Wherever schedules call for data from the previous year, the data reported must be based upon those shown by the annual report of the previous year or an appropriate explanation given why different data were used.
9. Where part or all of the report is prepared by other than utility personnel, a disclosure should be included in the notes to the income statements or the balance sheet which describes the nature and extent of work performed.
10. The four digit ID number at the top of the page must be typed along with the year of the report and the copy number. Contact the Commission, if you don't know your ID number.

**INSTRUCTIONS FOR FILING THE
FERC FORM NO. 1**

GENERAL INFORMATION

I. Purpose

This form is a regulatory support requirement (18 CFR 141.1). It is designed to collect financial and operational information from major electric utilities, Licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. This report is also secondarily considered to be a nonconfidential public use form supporting a statistical publication (Financial Statistics of Selected Electric Utilities), published by the Energy Information Administration.

II. Who Must Submit

Each major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of The Federal Power Act (18 CFR 101), must submit this form.

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds

one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus Losses).

III. What and Where to Submit

(a) Submit this form electronically through the Form 1 Submission Software and an original and six (6) conformed paper copies, properly filed in and attested, to:

Office of the Secretary
Federal Energy Regulatory Commission
888 First Street, NE.
Room 1A
Washington, DC 20426

Retain one copy of this report for your files.

Include with the original and each conformed paper copy of this form the subscription statement required by 18 C.F.R. 385.2011(c)(5). Paragraph (c)(5) of 18 C.F.R. 385.2011 requires each respondent submitting data electronically to file a subscription stating that the paper copies contain the same information as the electronic filing, that the signer knows the contents of the paper copies and electronic filing, and that the contents as stated in the copies and electronic filing are true to the best knowledge and belief of the signer.

(b) Submit, immediately upon publication, four (4) copies of the Latest annual report to stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. (Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Page 4, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared.) Mail these reports to:

Chief Accountant
Federal Energy Regulatory Commission
888 First Street, NE.
Washington, DC 20426

(c) For the CPA certification, submit with the original submission, or within 30 days after the filing date for this form, a Letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984):

(i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

(ii) Signed by independent certified public accountants or an independent Licensed public accountant certified or Licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 CFR 41.10-41.12 for specific qualifications.)

III. What and Where to Submit (Continued)

(c) Continued

Schedules	Reference Pages
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

When accompanying this form, insert the Letter or report immediately following the cover sheet. When submitting after the filing date for this form, send the letter or report to the office of the Secretary at the address indicated at III (a).

Use the following format for the Letter or report unless unusual circumstances or conditions, explained in the Letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of _____. We have also reviewed schedules _____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

State in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

(d) Federal, State and Local Governments and other authorized users may obtain additional blank copies to meet their requirements free of charge from:

Public Reference and Files Maintenance Branch
Federal Energy Regulatory Commission
888 First Street, NE. Room 2A ES-1
Washington, DC 20426
(202) 208-2474

IV. When to Submit

Submit this report form on or before April 30th of the year following the year covered by this report.

V. Where to Send Comments on Public Reporting Burden

The public reporting burden for this collection of information is estimated to average 1,217 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any aspect of this collection of information, including suggestions for reducing this burden, to the Federal Energy Regulatory Commission, 888 First Street N.E., Washington, DC 20426 (Attention: Mr. Michael Miller, CI-1); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if this collection of information does not display a valid control number. (44 U.S.C. 3512(a)).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 101) (U.S. of A.). Interpret all accounting words and phrases in accordance with the U. S. of A.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting year, and use for statement of income accounts the current year's amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2, 3, and 4.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below). The date of the resubmission must be reported in the header for all form pages, whether or not they are changed from the previous filing.
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the Form 1 Submission Software and an original and six (6) conformed paper copies of the entire form, as well as the appropriate number of copies of the subscription statement indicated at instruction III (a). Resubmissions must be numbered sequentially on the cover page of the paper copies of the form. In addition, the cover page of each paper copy must indicate that the filing is a resubmission. Send the resubmissions to the address indicated at instruction III (a).
- VIII. Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.

DEFINITIONS

- I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.
- II. Respondent -- The person, corporation, licensee, agency, authority, or other legal entity or instrumentality in whose behalf the report is made.

Federal Power Act, 16 U.S.C. 791a-825r)

"Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to wit:

... (3) "Corporation" means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) "Person" means an individual or a corporation;

(5) "Licensee" means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) "Municipality" means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry on the business of developing, transmitting, unitizing, or distributing power;..."

(11) "Project" means a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or Lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered:

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the proper administration of this Act. The Commission may prescribe the manner and form in which such reports shall be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies."

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

General Penalties

"Sec. 315. (a) Any licensee or public utility which willfully fails, within the time prescribed by the Commission, to comply with any order of the Commission, to file any report required under this Act or any rule or regulation of the Commission thereunder, to submit any information or document required by the Commission in the course of an investigation conducted under this Act ... shall forfeit to the United States an amount not exceeding \$1,000 to be fixed by the Commission after notice and opportunity for hearing..."

FERC FORM NO. 1:
ANNUAL REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

IDENTIFICATION		
01 Exact Legal Name of Respondent Madison Gas and Electric Company	02 Year of Report Dec. 31, <u>2003</u>	
03 Previous Name and Date of Change (if name changed during year) <div style="text-align: center;">/ /</div>		
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) 133 South Blair Street, Madison, Wisconsin 53703		
05 Name of Contact Person Terry A. Hanson	06 Title of Contact Person Vice Pres., CFO & Secretary	
07 Address of Contact Person (Street, City, State, Zip Code) Same as above		
08 Telephone of Contact Person, Including Area Code () -	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) <div style="text-align: center;">/ /</div>
ATTESTATION		
<p>The undersigned officer certifies that he/she has examined the accompanying report: that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 to and including December 31 of the year of the report.</p>		
01 Name Terry A. Hanson	03 Signature <div style="text-align: center;">/s/ Terry A. Hanson</div>	04 Date Signed (Mo, Da, Yr) <div style="text-align: center;">04/08/2004</div>
02 Title Vice Pres., CFO & Secretary		
<p>Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.</p>		

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	None
4	Officers	104	
5	Directors	105	
6	Important Changes During the Year	108-109	
7	Comparative Balance Sheet	110-113	
8	Statement of Income for the Year	114-117	
9	Statement of Retained Earnings for the Year	118-119	
10	Statement of Cash Flows	120-121	
11	Notes to Financial Statements	122-123	
12	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
13	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
14	Nuclear Fuel Materials	202-203	None
15	Electric Plant in Service	204-207	
16	Electric Plant Leased to Others	213	None
17	Electric Plant Held for Future Use	214	
18	Construction Work in Progress-Electric	216	
19	Accumulated Provision for Depreciation of Electric Utility Plant	219	
20	Investment of Subsidiary Companies	224-225	None
21	Materials and Supplies	227	
22	Allowances	228-229	
23	Extraordinary Property Losses	230	None
24	Unrecovered Plant and Regulatory Study Costs	230	None
25	Other Regulatory Assets	232	
26	Miscellaneous Deferred Debits	233	
27	Accumulated Deferred Income Taxes	234	
28	Capital Stock	250-251	
29	Other Paid-in Capital	253	
30	Capital Stock Expense	254	None
31	Long-Term Debit	256-257	
32	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
33	Taxes Accrued, Prepaid and Charged During the Year	262-263	
34	Accumulated Deferred Investment Tax Credits	266-267	
35	Other Deferred Credits	269	
36	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	None

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Accumulated Deferred Income Taxes-Other Property	274-275	
38	Accumulated Deferred Income Taxes-Other	276-277	
39	Other Regulatory Liabilities	278	
40	Electric Operating Revenues	300-301	
41	Sales of Electricity by Rate Schedules	304	
42	Sales for Resale	310-311	
43	Electric Operation and Maintenance Expenses	320-323	
44	Purchased Power	326-327	
45	Transmission of Electricity for Others	328-330	
46	Transmission of Electricity by Others	332	
47	Miscellaneous General Expenses-Electric	335	
48	Depreciation and Amortization of Electric Plant	336-337	
49	Regulatory Commission Expenses	350-351	
50	Research, Development and Demonstration Activities	352-353	
51	Distribution of Salaries and Wages	354-355	
52	Common Utility Plant and Expenses	356	
53	Electric Energy Account	401	
54	Monthly Peaks and Output	401	
55	Steam Electric Generating Plant Statistics (Large Plants)	402-403	
56	Hydroelectric Generating Plant Statistics (Large Plants)	406-407	None
57	Pumped Storage Generating Plant Statistics (Large Plants)	408-409	None
58	Generating Plant Statistics (Small Plants)	410-411	None
59	Transmission Line Statistics	422-423	None
60	Transmission Lines Added During Year	424-425	None
61	Substations	426-427	
62	Footnote Data	450	

Stockholders' Reports Check appropriate box:

☒ Four copies will be submitted

☐ No annual report to stockholders is prepared

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report <i>(Mo, Da, Yr)</i> / /	Year of Report Dec. 31, <u>2003</u>
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Terry A. Hanson, Vice President, Chief Financial Officer and Secretary
 133 South Blair Street, Post Office Box 1231
 Madison, Wisconsin 53701-1231

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Wisconsin - April 8, 1896

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Property of the respondent was at no time during the year held by a receiver or trustee.

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Madison Gas and Electric Company is engaged in the production, distribution, and sale of electricity and in the purchase, distribution, and sale of natural gas in South Central Wisconsin.

Also see page 103.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) ☐ Yes...Enter the date when such independent accountant was initially engaged:
 (2) ☒ No

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
CONTROL OVER RESPONDENT			
<p>1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the repondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.</p>			
<p>Madison Gas and Electric Company (MGE) is a wholly owned subsidiary of MGE Energy, Inc. (MGE Energy) ("Holding Company").</p>			

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Chairman, President and Chief Executive Officer	Gary J. Wolter	443,110
2	Vice Chairman	David C. Mebane	23,750
3	Senior Vice President	Lynn K. Hobbie	206,086
4	Senior Vice President	Mark T. Maranger	226,318
5	Group Vice President	Thomas R. Krull	197,894
6	Vice President - Admin. and Chief Information Officer	James G. Bidlingmaier	187,554
7	Vice President and General Counsel	Kristine A. Euclide	215,616
8	Vice President, Chief Financial Officer and Secretary	Terry A. Hanson	205,754
9	Vice President - Energy Supply Policy	Scott A. Neitzel	199,218
10	Vice President and Treasurer	Jeffrey C. Newman	200,794
11	Vice President - Energy Supply Operations	Peter J. Waldron	184,546
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Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
DIRECTORS				
1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.				
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.				
Line No.	Name (and Title) of Director (a)	Principal Business Address (b)		
1	***Richard E. Blaney	Madison, Wisconsin		
2	Retired President			
3	Richard Blaney Seeds Inc.			
4				
5	F. Curtis Hastings	Madison, Wisconsin		
6	Chairman			
7	J.H. Findorff & Son, Inc.			
8				
9	***David C. Mebane (will retire May 11, 2004)	Madison, Wisconsin		
10	Vice Chairman of the Board			
11	Former Chairman, President and CEO			
12	Madison Gas and Electric Company			
13				
14	Regina M. Millner	Madison, Wisconsin		
15	President			
16	RMM Enterprises, Inc.			
17				
18	***Frederic E. Mohs	Madison, Wisconsin		
19	Partner			
20	Mohs, MacDonald, Widder & Paradise, Attorneys at Law			
21				
22	John R. Nevin	Madison, Wisconsin		
23	Executive Director, Center for Product Management;			
24	Executive Director, Grainger Center for Supply Chain			
25	Mgmt; and Grainger Wisconsin Distinguished Professor,			
26	School of Business, University of Wisconsin - Madison			
27				
28	Donna K. Sollenberger	Madison, Wisconsin		
29	President and CEO			
30	University of Wisconsin Hospitals and Clinics			
31				
32	***H. Lee Swanson	Cross Plains, Wisconsin		
33	Chairman of the Board			
34	State Bank of Cross Plains; and Chairman of the			
35	Board and President, SBCP Bancorp, Inc.			
36				
37	***Gary J. Wolter	Madison, Wisconsin		
38	Chairman of the Board, President and CEO			
39	Madison Gas and Electric Company			
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Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report / /	Year of Report Dec. 31, 2003
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IMPORTANT CHANGES DURING THE YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
Madison Gas and Electric Company			
IMPORTANT CHANGES DURING THE YEAR (Continued)			

1. Not applicable.
2. None.
3. None.
4. None.
5. None.
6. Docket 3270-SB-123 regarding short-term notes and commercial paper is still pending with the PSCW. During 2003, MGE continued to follow the 2001 Docket 3270-SB-122 in which the PSCW authorized the Company to issue and have outstanding short-term notes and commercial paper up to a maximum amount of \$55 million principal amount. Commercial paper was issued from time to time in 2003 with a maximum amount of \$20.5 million outstanding at any one time.

In Docket 3270-SB-125, the PSCW authorized the Company to issue up to \$20 million principal amount of debt securities.
7. None.
8. None.
9. None.
10. None.
11. - -
12. - -

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	769,270,468	805,746,463
3	Construction Work in Progress (107)	200-201	27,621,327	88,489,334
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		796,891,795	894,235,797
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	366,478,792	374,952,212
6	Net Utility Plant (Enter Total of line 4 less 5)		430,413,003	519,283,585
7	Nuclear Fuel (120.1-120.4, 120.6)	202-203	0	0
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		0	0
10	Net Utility Plant (Enter Total of lines 6 and 9)		430,413,003	519,283,585
11	Utility Plant Adjustments (116)	122	0	0
12	Gas Stored Underground - Noncurrent (117)		0	0
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)		1,230,893	1,294,683
15	(Less) Accum. Prov. for Depr. and Amort. (122)		689,095	692,933
16	Investments in Associated Companies (123)		0	0
17	Investment in Subsidiary Companies (123.1)	224-225	0	0
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
19	Noncurrent Portion of Allowances	228-229	0	0
20	Other Investments (124)		28,826,281	29,942,976
21	Special Funds (125-128)		15,017,495	0
22	TOTAL Other Property and Investments (Total of lines 14-17, 19-21)		44,385,574	30,544,726
23	CURRENT AND ACCRUED ASSETS			
24	Cash (131)		261,209	368,753
25	Special Deposits (132-134)		2,264,290	3,439,950
26	Working Fund (135)		5,625	5,625
27	Temporary Cash Investments (136)		0	0
28	Notes Receivable (141)		0	0
29	Customer Accounts Receivable (142)		35,901,800	32,976,702
30	Other Accounts Receivable (143)		2,802,740	4,066,859
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		2,659,254	2,735,448
32	Notes Receivable from Associated Companies (145)		0	0
33	Accounts Receivable from Assoc. Companies (146)		20,432	-75,961
34	Fuel Stock (151)	227	5,212,654	5,054,095
35	Fuel Stock Expenses Undistributed (152)	227	0	0
36	Residuals (Elec) and Extracted Products (153)	227	0	0
37	Plant Materials and Operating Supplies (154)	227	6,850,064	6,541,375
38	Merchandise (155)	227	230,774	213,142
39	Other Materials and Supplies (156)	227	0	0
40	Nuclear Materials Held for Sale (157)	202-203/227	0	0
41	Allowances (158.1 and 158.2)	228-229	853,583	972,681
42	(Less) Noncurrent Portion of Allowances		0	0
43	Stores Expense Undistributed (163)	227	212,178	124,038
44	Gas Stored Underground - Current (164.1)		12,948,460	18,598,377
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
46	Prepayments (165)		12,617,009	16,428,540
47	Advances for Gas (166-167)		0	0
48	Interest and Dividends Receivable (171)		0	0
49	Rents Receivable (172)		225,021	220,861
50	Accrued Utility Revenues (173)		18,538,960	21,643,982
51	Miscellaneous Current and Accrued Assets (174)		0	0
52	Derivative Instrument Assets (175)		0	0

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
46	Obligations Under Capital Leases-Current (243)		0	0
47	Derivative Instrument Liabilities (244)		0	0
48	Derivative Instrument Liabilities - Hedges (245)		0	0
49	TOTAL Current & Accrued Liabilities (Enter Total of lines 34 thru 48)		56,740,488	85,865,974
50	DEFERRED CREDITS			
51	Customer Advances for Construction (252)		2,113,948	2,542,940
52	Accumulated Deferred Investment Tax Credits (255)	266-267	5,406,402	4,891,158
53	Deferred Gains from Disposition of Utility Plant (256)		0	0
54	Other Deferred Credits (253)	269	42,514,834	32,203,096
55	Other Regulatory Liabilities (254)	278	16,343,237	16,329,439
56	Unamortized Gain on Reaquired Debt (257)		0	0
57	Accumulated Deferred Income Taxes (281-283)	272-277	87,863,775	97,636,860
58	TOTAL Deferred Credits (Enter Total of lines 51 thru 57)		154,242,196	153,603,493
59			0	0
60			0	0
61			0	0
62			0	0
63			0	0
64			0	0
65			0	0
66			0	0
67			0	0
68			0	0
69			0	0
70			0	0
71			0	0
72	TOTAL Liab and Other Credits (Enter Total of lines 15,23,32,49,58)		633,665,586	719,852,808

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another Utility column (i, k, m, o) in a similar manner to a utility department. Spread the amount(s) over Lines 02 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.
2. Report amounts in account 414, Other Utility Operating income, in the same manner as accounts 412 and 413 above.
3. Report data for lines 8, 10, and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
4. Use pages 122-123 for important notes regarding the statement of income or any account thereof.
5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.
6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	409,813,456	352,092,129
3	Operating Expenses			
4	Operation Expenses (401)	320-323	299,307,857	242,000,169
5	Maintenance Expenses (402)	320-323	15,337,765	11,724,328
6	Depreciation Expense (403)	336-337	23,344,333	29,361,562
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337		
8	Amort. & Depl. of Utility Plant (404-405)	336-337		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337		
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)			
11	Amort. of Conversion Expenses (407)			
12	Regulatory Debits (407.3)			
13	(Less) Regulatory Credits (407.4)			
14	Taxes Other Than Income Taxes (408.1)	262-263	11,588,623	10,860,621
15	Income Taxes - Federal (409.1)	262-263	8,420,448	10,711,703
16	- Other (409.1)	262-263	3,109,815	3,873,112
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	15,245,921	12,127,093
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	7,166,935	8,618,438
19	Investment Tax Credit Adj. - Net (411.4)	266	-515,244	-520,344
20	(Less) Gains from Disp. of Utility Plant (411.6)			
21	Losses from Disp. of Utility Plant (411.7)			
22	(Less) Gains from Disposition of Allowances (411.8)			
23	Losses from Disposition of Allowances (411.9)			
24	Accretion Expense (411.10)			
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		368,672,583	311,519,806
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		41,140,873	40,572,323

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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STATEMENT OF INCOME FOR THE YEAR (Continued)

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be included on pages 122-123.

8. Enter on page 123 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 26, and report the information in the blank space on page 123 or in a footnote.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
242,263,690	225,453,327	167,549,766	126,638,802			2
						3
161,488,680	140,445,813	137,819,177	101,554,356			4
13,362,344	9,934,826	1,975,421	1,789,502			5
16,437,374	23,071,410	6,906,959	6,290,152			6
						7
						8
						9
						10
						11
						12
						13
9,289,894	8,514,109	2,298,729	2,346,512			14
4,068,962	7,793,693	4,351,486	2,918,010			15
1,882,055	2,876,386	1,227,760	996,726			16
12,643,468	9,251,050	2,602,453	2,876,043			17
5,599,321	7,124,122	1,567,614	1,494,316			18
-350,340	-354,744	-164,904	-165,600			19
						20
						21
						22
						23
						24
213,223,116	194,408,421	155,449,467	117,111,385			25
29,040,574	31,044,906	12,100,299	9,527,417			26

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
STATEMENT OF INCOME FOR THE YEAR (Continued)					
Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL		
			Current Year (c)	Previous Year (d)	
27	Net Utility Operating Income (Carried forward from page 114)		41,140,873	40,572,323	
28	Other Income and Deductions				
29	Other Income				
30	Nonutility Operating Income				
31	Revenues From Merchandising, Jobbing and Contract Work (415)		93,954	106,064	
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		142,897	107,958	
33	Revenues From Nonutility Operations (417)				
34	(Less) Expenses of Nonutility Operations (417.1)		18,607		
35	Nonoperating Rental Income (418)		45,443	38,492	
36	Equity in Earnings of Subsidiary Companies (418.1)	119			
37	Interest and Dividend Income (419)		443,227	177,466	
38	Allowance for Other Funds Used During Construction (419.1)		514,240	379,339	
39	Miscellaneous Nonoperating Income (421)		3,992,549	4,072,823	
40	Gain on Disposition of Property (421.1)		55,185	53,110	
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		4,983,094	4,719,336	
42	Other Income Deductions				
43	Loss on Disposition of Property (421.2)		1,605		
44	Miscellaneous Amortization (425)	340			
45	Miscellaneous Income Deductions (426.1-426.5)	340	3,257,003	1,960,711	
46	TOTAL Other Income Deductions (Total of lines 43 thru 45)		3,258,608	1,960,711	
47	Taxes Applic. to Other Income and Deductions				
48	Taxes Other Than Income Taxes (408.2)	262-263	60,457	52,575	
49	Income Taxes-Federal (409.2)	262-263	326,947	165,846	
50	Income Taxes-Other (409.2)	262-263	80,127	45,754	
51	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	1,240,356	2,217,185	
52	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	1,184,520	1,540,196	
53	Investment Tax Credit Adj.-Net (411.5)				
54	(Less) Investment Tax Credits (420)				
55	TOTAL Taxes on Other Income and Deduct. (Total of 48 thru 54)		523,367	941,164	
56	Net Other Income and Deductions (Enter Total lines 41, 46, 55)		1,201,119	1,817,461	
57	Interest Charges				
58	Interest on Long-Term Debt (427)		11,557,513	12,031,994	
59	Amort. of Debt Disc. and Expense (428)		484,455	431,720	
60	Amortization of Loss on Reacquired Debt (428.1)				
61	(Less) Amort. of Premium on Debt-Credit (429)				
62	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)				
63	Interest on Debt to Assoc. Companies (430)	340			
64	Other Interest Expense (431)	340	200,961	508,816	
65	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		229,528	213,379	
66	Net Interest Charges (Enter Total of lines 58 thru 65)		12,013,401	12,759,151	
67	Income Before Extraordinary Items (Total of lines 27, 56 and 66)		30,328,591	29,630,633	
68	Extraordinary Items				
69	Extraordinary Income (434)				
70	(Less) Extraordinary Deductions (435)				
71	Net Extraordinary Items (Enter Total of line 69 less line 70)				
72	Income Taxes-Federal and Other (409.3)	262-263			
73	Extraordinary Items After Taxes (Enter Total of line 71 less line 72)				
74	Net Income (Enter Total of lines 67 and 73)		30,328,591	29,630,633	

Name of Respondent Madison Gas and Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 114 Line No.: 74 Column: c

Current Year

Earnings Per Share of Common Stock (basic and diluted): \$1.75

Schedule Page: 114 Line No.: 74 Column: d

Previous Year

Earnings Per Share of Common Stock (basic and diluted): \$1.71

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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STATEMENT OF RETAINED EARNINGS FOR THE YEAR

- Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
- Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
- State the purpose and amount of each reservation or appropriation of retained earnings.
- List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
- Show dividends for each class and series of capital stock.
- Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
- Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
- If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance-Beginning of Year		77,831,722
2	Changes		
3	Adjustments to Retained Earnings (Account 439)		
4			
5			
6			
7			
8			
9	TOTAL Credits to Retained Earnings (Acct. 439)		
10			
11			
12			
13			
14			
15	TOTAL Debits to Retained Earnings (Acct. 439)		
16	Balance Transferred from Income (Account 433 less Account 418.1)		30,328,591
17	Appropriations of Retained Earnings (Acct. 436)		
18			
19			
20			
21			
22	TOTAL Appropriations of Retained Earnings (Acct. 436)		
23	Dividends Declared-Preferred Stock (Account 437)		
24			
25			
26			
27			
28			
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)		
30	Dividends Declared-Common Stock (Account 438)		
31	Cash Dividends Paid to Parent	238	-29,684,450
32			
33			
34			
35			
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-29,684,450
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		
38	Balance - End of Year (Total 1,9,15,16,22,29,36,37)		78,475,863
	APPROPRIATED RETAINED EARNINGS (Account 215)		

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the respondents annual stockholders report are applicable to this statement, such notes should be included in page 122-123. Information about non-cash investing and financing activities should be provided on Page 122-123. Provide also on pages 122-123 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.
2. Under "Other" specify significant amounts and group others.
3. Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on Page 122-123 the amount of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)
1	Net Cash Flow from Operating Activities:	
2	Net Income	30,328,591
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	23,344,333
5	Amortization of	
6		
7		
8	Deferred Income Taxes (Net)	8,078,986
9	Investment Tax Credit Adjustment (Net)	-515,244
10	Net (Increase) Decrease in Receivables	1,755,749
11	Net (Increase) Decrease in Inventory	-5,076,897
12	Net (Increase) Decrease in Allowances Inventory	-119,098
13	Net Increase (Decrease) in Payables and Accrued Expenses	8,184,090
14	Net (Increase) Decrease in Other Regulatory Assets	-3,458,037
15	Net Increase (Decrease) in Other Regulatory Liabilities	-13,798
16	(Less) Allowance for Other Funds Used During Construction	-514,240
17	(Less) Undistributed Earnings from Subsidiary Companies	3,686,992
18	Other (provide details in footnote): Dividend from ATC	2,639,450
19	Other Items not Affecting Cash Flow	13,264,829
20	Changes in Working Capital Other Than Cash	-6,912,393
21	Prepayment to ATC	5,000,000
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	73,327,809
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant (less nuclear fuel)	-33,039,425
27	Gross Additions to Nuclear Fuel	
28	Gross Additions to Common Utility Plant	-10,716,200
29	Gross Additions to Nonutility Plant	
30	(Less) Allowance for Other Funds Used During Construction	229,528
31	Other (provide details in footnote):	
32	Advance to ATC for WCCF	-9,222,329
33		
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-53,207,482
35		
36	Acquisition of Other Noncurrent Assets (d)	
37	Proceeds from Disposal of Noncurrent Assets (d)	
38		
39	Investments in and Advances to Assoc. and Subsidiary Companies	-51,288
40	Contributions and Advances from Assoc. and Subsidiary Companies	
41	Disposition of Investments in (and Advances to)	
42	Associated and Subsidiary Companies	
43		
44	Purchase of Investment Securities (a)	
45	Proceeds from Sales of Investment Securities (a)	

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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STATEMENT OF CASH FLOWS

4. Investing Activities include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on pages 122-123. Do not include on this statement the dollar amount of Leases capitalized per US of A General Instruction 20; instead provide a reconciliation of the dollar amount of Leases capitalized with the plant cost on pages 122-123.

5. Codes used:

- (a) Net proceeds or payments. (c) Include commercial paper.
 (b) Bonds, debentures and other long-term debt. (d) Identify separately such items as investments, fixed assets, intangibles, etc.

6. Enter on pages 122-123 clarifications and explanations.

Line No.	Description (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)
46	Loans Made or Purchased	
47	Collections on Loans	
48		
49	Net (Increase) Decrease in Receivables	
50	Net (Increase) Decrease in Inventory	
51	Net (Increase) Decrease in Allowances Held for Speculation	
52	Net Increase (Decrease) in Payables and Accrued Expenses	
53	Other (provide details in footnote):	
54		
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	Total of lines 34 thru 55)	-53,258,770
58		
59	Cash Flows from Financing Activities:	
60	Proceeds from Issuance of:	
61	Long-Term Debt (b)	20,000,000
62	Preferred Stock	
63	Common Stock	
64	Other (provide details in footnote):	
65	Equity Contributions from Parent	19,606,336
66	Net Increase in Short-Term Debt (c)	2,000,000
67	Other (provide details in footnote):	
68		
69		
70	Cash Provided by Outside Sources (Total 61 thru 69)	41,606,336
71		
72	Payments for Retirement of:	
73	Long-term Debt (b)	-20,000,000
74	Preferred Stock	
75	Common Stock	
76	Other (provide details in footnote):	
77	Affiliate Financing of WCCF	-10,541,521
78	Net Decrease in Short-Term Debt (c)	
79	Financing Costs	-416,164
80	Dividends on Preferred Stock	
81	Dividends on Common Stock	-29,684,450
82	Net Cash Provided by (Used in) Financing Activities	
83	(Total of lines 70 thru 81)	-19,035,799
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	
86	(Total of lines 22,57 and 83)	1,033,240
87		
88	Cash and Cash Equivalents at Beginning of Year	2,781,089
89		
90	Cash and Cash Equivalents at End of Year	3,814,329

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NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. General

MGE, a wholly owned subsidiary of MGE Energy, is a regulated electric and gas utility headquartered in Madison, Wisconsin. MGE generates and distributes electricity to nearly 132,000 customers in a 250-square-mile area of Dane County. MGE also purchases and distributes natural gas to more than 129,000 customers in 1,375 square miles of service territory in seven south-central Wisconsin counties. Other wholly owned subsidiaries of MGE Energy include MGE Power, which owns 100% of MGE Power West Campus, and MGE Construct. These subsidiaries are part of our nonutility energy operations, which have been formed to construct and own new electric generation projects.

The consolidated financial statements reflect the application of certain accounting policies described in this note. All significant intercompany accounts and transactions have been eliminated in consolidation.

These financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In addition, since the special purpose of these financial statements is to comply with the FERC Form No. 1 reporting requirements, they do not include the disclosures relating to:

- The current portion of long-term debt.
- Segment information.
- Quarterly financial information.

FERC Final Rule 631 relating to SFAS No. 143 does not require reclassification of Non-SFAS No. 143 obligations. If such reclassifications were recognized according to generally accepted accounting principles, accumulated depreciation would decrease \$18.2 million and regulatory liabilities would increase \$18.2 million for the year ended December 31, 2003.

b. Use of Estimates

In order to prepare consolidated financial statements, management must make estimates and assumptions. These estimates could affect reported amounts of assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from management's estimates.

c. Revenues

Revenues from the sale of electricity and gas to customers are generally recorded when electricity/gas is delivered to those customers. The quantity of those sales is measured by customers' meters. Due to the large volume of those meters, it is impractical to read all of them at month-end. Meters are read on a systematic basis throughout the month based on established meter-reading schedules. Consequently, at the end of any month, there exists a quantity of electricity and gas service that has been rendered but not billed. As a result, management must estimate revenue related to electricity and gas delivered to customers between their meter-read date and the end of the period.

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In order to estimate unbilled revenues as of the end of a particular period, MGE performs a series of calculations based upon actual and estimated numbers and assumptions. MGE begins by calculating the amount of electricity and gas available for sale within its system during that period based upon known inputs (i.e., electricity and gas purchases from third parties, gas from storage, and MGE-generated electricity). These amounts are then adjusted to deduct the amounts actually included in customers' bills for that period.

In the case of electricity, the amount is further reduced by estimating the quantity of electricity lost in the process of transmitting and distributing it to customers. The resulting available-for-sale quantities are then allocated to various customer classes based upon historical utilization patterns for those customers. MGE applies published tariffs to determine the associated revenues. Utilization patterns are based upon assumptions regarding weather, economic conditions, and consistency of use over the period in question. Actual use can be affected by variations in those items. The resulting estimate is then compared to other available statistics, including accounts receivable and billed sales for the particular period, in order to confirm its reasonableness.

During 2003, many of MGE's largest customers were shifted to a calendar month bill. As a result of this shift, the majority of these customers' electricity usage is now accounted for in the unbilled calculation. The unbilled amounts are based on actual usage billed the following month and are, therefore, very reliable. Due to this billing shift, MGE has seen the ratio of unbilled-to-billed electric sales climb. The ratio has settled into a range of 45% to 65%, and MGE will continue to monitor and track this range.

Gas revenues are subject to an adjustment clause related to periodic changes in the cost of gas.

The FERC Form No. 1 includes interdepartmental revenue accounts 448.101 (electric) and 484.201 (gas). The electric and gas interdepartmental revenues for 2003 were \$518,556 and \$7,747,617. These interdepartmental revenues are eliminated for SEC financial reporting purposes.

d. Income Taxes and Excise Taxes

Under the liability method prescribed by SFAS 109, income taxes are deferred for all temporary differences between pretax financial and taxable income and between the book and tax basis of assets and liabilities using the tax rates scheduled by law to be in effect when the temporary differences reverse. Future tax benefits are recognized to the extent that realization of such benefits is more likely than not. A valuation allowance is recorded for those benefits that do not meet this criterion.

Regulation and SFAS No. 109 have resulted in a regulatory liability related to income taxes. Excess deferred income taxes result from past taxes provided at rates higher than current rates. The SFAS No. 109 regulatory liability and deferred investment tax credit reflects the revenue requirement associated with the return of these tax benefits to customers.

Investment tax credits from regulated operations are amortized over related property service lives.

Tax credits for the generation of electricity from wind are based on kWh produced and sold during the year at the current statutory tax credit rate of 1.8 cents per kWh.

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MGE pays a state license fee tax in lieu of property taxes on property used in utility operations. License fee tax is calculated as a percent of adjusted operating revenues of the prior year. The electric tax rate is 3.19%, and the gas tax rate is 0.97%. Estimated tax is prepaid (prepaid taxes) one year in advance of expense recognition. License fee tax expense, included in other general taxes, was \$8.4 million and \$7.8 million for the years ended December 31, 2003, and 2002, respectively.

Operating income taxes, including tax credits, and license fee tax are included in rates.

e. Inventories

Inventories consist of natural gas in storage, fossil fuels, and materials and supplies. MGE values all natural gas in storage, fossil fuels, and materials and supplies using average cost.

f. Regulatory Matters

Pursuant to SFAS No. 71, *Accounting for the Effects of Certain Types of Regulation*, MGE capitalizes as regulatory assets incurred costs that are expected to be recovered in future electric and natural gas rates. MGE also records as regulatory liabilities obligations to customers to refund previously collected revenue or to spend revenue collected from customers on future costs.

Electric industry restructuring could affect MGE's ability to continue establishing certain regulatory asset and liability amounts now allowed under SFAS No. 71. MGE is unable to predict whether any adjustments to regulatory assets and liabilities will occur in the future. However, the PSCW has recognized the need to allow recovery for commitments made under prior regulation.

g. Debt Issuance Costs

Premiums, discounts, and expenses incurred with the issuance of outstanding long-term debt are amortized over the life of the debt issue. Any call premiums or unamortized expenses associated with refinancing higher-cost debt obligations used to finance utility-regulated assets and operations are amortized consistent with regulatory treatment of those items.

h. Comprehensive Income

Comprehensive income includes all changes in equity during a period except those resulting from investments by and distributions to shareholders. Comprehensive income is reflected in the Statements of Accumulated Comprehensive Income, Comprehensive Income, and Hedging Activities.

i. Hedge Accounting

Hedge accounting is applied only if the derivative reduces the risk of the underlying hedged item and is designated at inception as a hedge, with respect to the hedged item. If a derivative instrument ceased to meet the criteria for deferral, any gains or losses were recognized in income.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

j. Accounting for Financial Derivatives

MGE manages its risk exposure related to interest rates, commodity prices, and gas margin through its risk management policies and the use of various derivative instruments. MGE manages its interest rate risk by limiting its variable rate exposure through interest rate swap agreements. MGE uses various derivative contracts to manage the cost of gas for its "Winter Set-Price Firm Gas Sales Service" pilot program. MGE may use weather derivatives to reduce the impact of weather volatility on its gas margin.

k. Impairment of Long-Lived Assets

MGE reviews plant and equipment and other property for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. MGE's policy for determining when long-lived assets are impaired is to recognize an impairment loss if the sum of the expected future cash flows (undiscounted and without interest charges) from an asset is less than the carrying amount of that asset. If an impairment loss is recognized, the amount that will be recorded will be measured as the amount by which the carrying amount of the asset exceeds the fair value of the asset. MGE believes there is no impairment of long-lived assets in accordance with SFAS No. 144 at December 31, 2003.

l. Restricted Cash

MGE has some cash accounts that are restricted to uses other than current operations and designated for a specific purpose. MGE's restricted cash accounts relate to cash deposited for operations and capital expenditures at its joint operating plant and cash held by trustee for certain employee benefits.

m. Reclassification

MGE made a significant reclassification related to the reporting of accumulated costs of removal, which are nonlegal retirement obligations. Previously, these costs were included as components of accumulated depreciation.

2. Basis of Consolidation

MGE Power West Campus was created for the purpose of owning new generating assets including WCCF. These new generating assets are for the primary benefit of MGE's customers. The long-term lease arrangement between MGE and MGE Power West Campus creates a VIE relationship under FIN No. 46-R (see Footnote 19). MGE is considered the primary beneficiary to this VIE because it will absorb a majority of the entity's expected losses, residual returns, or both. Therefore, MGE Power West Campus has been consolidated into MGE in accordance with FIN No. 46-R as of December 31, 2003.

The consolidation of MGE Power West Campus resulted in an increase to construction work in progress of \$48.6 million, an increase in long-term debt of \$30.0 million, and affiliate payables of \$18.9 million at December 31, 2003. As MGE Power West Campus had no significant operations, the consolidation of this entity by MGE did not have a material impact on the Consolidated Statements of Income for the year ended December 31, 2003.

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3. Nuclear Fuel

The 1992 National Energy Policy Act requires all utilities that have used federal enrichment facilities to pay a special assessment for decontaminating and decommissioning these facilities. This special assessment is based on past enrichment. MGE has accrued in other regulatory liabilities and deferred in deferred charges an estimated \$0.8 million for its portion of the special assessment. MGE believes any additional costs will be recovered in future rates.

MGE sold its 17.8% ownership interest in Kewaunee to WPSC in September 2001 (see Footnote 18). However, it retained financial responsibility for spent nuclear fuel associated with its share of generation from Kewaunee for the period from the opening of the plant to the closing date of the sale.

4. Property, Plant, and Equipment

Utility plant is stated at the original cost of construction, which includes indirect costs consisting of payroll taxes, pensions, postretirement benefits, other fringe benefits, administrative and general costs, and AFUDC.

AFUDC represents the approximate cost of debt and equity capital devoted to plant under construction. MGE presently capitalizes AFUDC at a rate of 9.97% on 50.0% of average construction work in progress. The AFUDC rate approximates MGE's cost of capital. The portion of the allowance that applies to borrowed funds is presented in the Consolidated Statements of Income as a reduction of interest expense, and equity funds is presented as other income. Although the allowance does not represent current cash income, it is recovered under the ratemaking process over the service lives of the related properties.

MGE's accounting policy for planned major maintenance projects is to expense the costs for these projects in the periods for which they are incurred.

MGE Power West Campus calculates capitalized interest in accordance with SFAS No. 34 on construction projects for periods where financing is provided by MGE Energy through interim debt. The interest rate capitalized is based upon the monthly short-term borrowing rate MGE Energy incurs for such funds and the interest rate related to MGE Power West Campus' long-term debt.

Total capitalized interest as of December 31, 2003, related to WCCF was \$1.2 million.

5. Depreciation

Provisions at composite straight-line depreciation rates, excluding decommissioning costs, approximate the following percentages for the cost of depreciable property:

	2003	2002
Electric	3.0%	2.8%
Gas	3.3%	3.3%

Depreciation rates are approved by the Public Service Commission of Wisconsin (PSCW) and are generally based on the estimated economic lives of property.

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MGE transferred the assets of its external decommissioning trusts to external trusts of WPSC in September 2001 as part of the Kewaunee sale agreement (see Footnote 18). The agreement required MGE to continue funding its external decommissioning trust through the end of 2002 at the PSCW-authorized level of approximately \$0.7 million per month. These costs were recovered from customers in rates. At the beginning of 2003, the remaining assets of the MGE external trust were transferred to the external trust of WPSC. The trusts are shown on the balance sheet in the Utility Plant section.

As required by SFAS No. 115, *Accounting for Certain Investments in Debt and Equity Securities*, MGE's debt and equity security investments in the trusts were classified as available for sale. Gains and losses on the trusts were determined based on specific identification. Net unrealized holding gains and losses on the trusts were recorded as part of accumulated provision for depreciation.

As of December 31, 2003, the decommissioning trust had been transferred to WPSC. Realized earnings on the trusts were \$0.0 million and \$0.1 million for the years ended December 31, 2003, and 2002, respectively. Unrealized earnings (loss) of the trusts totaled \$0 million and (\$1.2 million) at December 31, 2003, and 2002, respectively.

6. Regulatory Assets and Liabilities

MGE's regulatory and deferred assets and liabilities consisted of the following as of December 31:

(In thousands)	2003		2002	
	Assets	Liabilities	Assets	Liabilities
Decommissioning and decontamination	\$ 846	\$ 846	\$ 1,140	\$ 1,140
Environmental costs	1,825	-	767	-
Regulatory liability - SFAS No. 109	-	9,877	-	10,931
Gas supply derivatives	-	732	-	483
Deferred charges related to ATC	340	-	3,652	-
Deferred charges related to interest - 2027A Series	810	-	844	-
Nitrogen oxide escrow	-	-	-	996
Deferred charges - SFAS No. 133	277	-	546	-
Deferred charges - tax recovery related to AFUDC equity	2,740	-	2,640	-
Regulatory liability - customer fuel credit	-	2,762	-	-
Asset retirement obligation - SFAS No. 143	850	-	-	-
Other	553	2,005	719	2,643
Total - regulatory assets/liabilities	\$8,241	\$ 16,222	\$10,308	\$ 16,193

MGE is recovering carrying costs on all regulatory assets, except for amounts expended for environmental costs.

Costs related to decommissioning and decontamination will be recovered in rates through September 2007 (see Footnotes 3 and 18).

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MGE has received regulatory treatment on environmental costs including cleanup of two landfill sites and a substation site. The regulators have not allowed MGE to recover carrying costs on these environmental expenditures. As of December 31, 2003, MGE has recorded \$1.8 million in regulatory assets for environmental costs, including \$1.1 million for accrual for estimated future site remediation and \$0.7 million of deferrals for actual remediation costs incurred. MGE is currently recovering in rates some of the actual costs incurred through the first quarter of 2003 and expects to recover any additional costs in our next rate case. The actual costs are amortized over four years in our rate case.

MGE has a limited number of physical and financial gas commodity contracts that are defined as derivatives under SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*. The derivative amounts recorded as a result of these gas contracts is offset with a corresponding regulatory asset or liability because these transactions are part of the PGA clause authorized by the PSCW and not subject to the gas cost incentive sharing mechanism. This regulatory liability will be returned in the first quarter of 2004.

Deferred charges in connection with the start-up of ATC and ongoing incremental transmission costs during 2001 and 2002 associated with ATC were deferred under SFAS No. 71. MGE recovered these costs from October 2002 through October 23, 2003. The PSCW has also allowed MGE to use escrow accounting for the incremental transmission costs for 2003. The escrow accounting allows the utility to true-up its actual costs incurred and reflect the amount of the true-up in its next rate case filing and amortized over that rate case period. A carrying cost component is calculated on the escrow balance.

Deferred charges on the interest expense of the 2027A Series relates to the incremental difference in the interest MGE earned on its construction bond fund and the actual interest MGE paid out. That incremental difference between interest earned and interest expensed is currently being amortized over the remaining life of the bonds as part of the rate recovery allowed by the PSCW.

In the third quarter of 2002, MGE received approval from the PSCW to establish a regulatory asset or liability for the deferral of the effects of mark-to-market accounting as required by SFAS No. 133 on contracts related to MGE's regulated operations. Management believes it is the PSCW's intent to allow a utility to recover its actual costs embedded in the contract if the costs are deemed reasonable and prudent. MGE interpreted the PSCW's letter as requiring MGE to record a gain or loss from the application of SFAS No. 133 as either a regulatory asset or liability. As of December 31, 2003, MGE has recorded a regulatory asset of \$0.3 million for the cumulative mark-to-market value of its derivative contracts, the commercial paper swap agreement, and the Columbia coal contract.

AFUDC equity represents the after-tax equity cost associated with utility plant construction and results in a temporary difference between the book and tax basis of such plant. Deferred income taxes are provided on this temporary difference in accordance with SFAS No. 109, *Accounting for Income Taxes*. It is probable under PSCW regulation that MGE will recover in future rates the future increase in taxes payable represented by the deferred income tax liability. The amounts will be recovered in rates over 28 years. Deferred charges (tax recovery related to AFUDC equity) represent the revenue requirement related to recovery of these future taxes payable calculated at current statutory tax rates.

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7. Joint Plant Ownership

MGE and two other utilities jointly own Columbia, a coal-fired generating facility, which accounts for 35.0% (225 MW) of MGE's net generating capability. Power from this facility is shared in proportion to each company's ownership interest. MGE has a 22.0% ownership interest in Columbia. The other owners are Alliant, which operates Columbia, and WPSC. MGE's share of fuel, operating, and maintenance expenses for Columbia was \$27.4 million and \$26.2 million, for the years ended December 31, 2003, and 2002, respectively.

Each owner provides its own financing and reflects its respective portion of facilities and operating costs in its financial statements. MGE's interest in Columbia, included in its gross utility plant in service, and the related accumulated depreciation reserves at December 31 were as follows:

<i>(In thousands)</i>	2003	2002
Utility plant	\$ 95,594	\$ 94,169
Accumulated depreciation	(60,723)	(58,147)
Net plant	<u>\$ 34,871</u>	<u>\$ 36,022</u>

8. Statement of Cash Flows

MGE considers cash equivalents to be those investments that are highly liquid with original maturity dates of less than three months.

Supplementary noncash investing items and cash paid/(received) for interest and income taxes and other noncash investing and financing items for the years ended December 31 were as follows:

<i>(In thousands)</i>	2003	2002
Interest paid, net of amount capitalized	\$12,439	\$12,408
Income taxes paid	18,279	17,223
Income taxes received	(3,159)	(759)
Noncash financing item	-	1,499

On August 16, 2002, the Board of Directors for MGE approved a resolution to dividend the ownership of two small nonregulated subsidiaries previously owned by MGE to MGE Energy. The net assets transferred approximated \$1.5 million. This transfer represented a noncash transaction.

The amortization of debt issuance costs for the years ended 2003 and 2002 are included in the line item "Other Items not Affecting Cash Flow" in the cash flow statement from operating activities and is not presented in a separate line as it is immaterial.

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9. Income Taxes

The differences between the federal statutory income tax rate and MGE's effective rate are as follows:

	2003	2002
Statutory federal income tax rate	35.0%	35.0%
Amortized investment tax credits	(1.0)%	(1.1)%
State income taxes, net of federal benefit	5.2%	4.9%
Credit for electricity from wind energy	(0.8)%	(0.9)%
Other, individually insignificant	0.8%	0.5%
Effective income tax rate	39.2%	38.4%

The components of deferred tax (assets) liabilities on the Balance Sheets as of December 31, are as follows:

<i>(In thousands)</i>	2003	2002
SFAS 109 deferred tax account	\$(5,927)	\$(6,557)
Deferred compensation	(5,574)	(9,318)
Vacation pay	(1,391)	(1,264)
SFAS 106 costs	(3,910)	(2,928)
Accumulated provision for uncollectible accounts	(1,087)	(1,063)
Investment in ATC carrying value difference	(1,321)	(1,429)
Accrued expenses	(1,641)	(1,735)
Other	(1,548)	(1,487)
Valuation allowance against deferred tax assets	368	368
Deferred Tax Assets, Net	\$(22,031)	\$(25,413)
Property-related	\$73,395	\$66,960
Prepaid expenses	4,275	-
Pension	1,742	2,798
Bond transactions	3,026	2,829
Investment in ATC basis difference	12,182	12,958
AFUDC equity	1,100	1,059
Other	1,917	1,260
Deferred Tax Liabilities	\$97,637	\$87,864
Net Deferred Tax Liabilities	\$75,606	\$62,451

10. Pension Plans

MGE maintains qualified and nonqualified pension plans. MGE also provides health care and life insurance benefits for its retired employees. MGE uses a measurement date of December 31 for all its pension and postretirement benefit plans.

MGE maintains two defined contribution 401(k) benefit plans for its employees. MGE's costs of the 401(k) plans were \$0.7 million in 2003 and \$0.6 million in 2002.

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a. Benefit Obligations

(In thousands)

	Pension Benefits		Postretirement Benefits	
	2003	2002	2003	2002
Change in benefit obligation:				
Net benefit obligation at beginning of year	\$117,410	\$101,593	\$ 45,639	\$ 27,504
Service cost	3,418	2,603	1,806	1,062
Interest cost	8,023	7,514	3,248	2,190
Plan participants' contributions	-	-	304	264
Plan amendments	557	-	-	-
Actuarial loss	7,743	9,277	5,051	15,422
Special termination benefits	280	-	-	-
Gross benefits paid	(3,970)	(3,577)	(1,235)	(803)
Net benefit obligation at end of year	\$133,461	\$117,410	\$ 54,813	\$ 45,639

The accumulated benefit obligation for the defined benefit pension plan at the end of 2003 and 2002 was \$113.8 million and \$100.4 million, respectively.

	Pension Benefits		Postretirement Benefits	
	2003	2002	2003	2002
Weighted-average assumptions used to determine end of year benefit obligations:				
Discount rate	6.25%	6.75%	6.25%	6.75%
Expected return on plan assets	9.00%	9.00%	9.00%	9.00%
Rate of compensation increase	4.50%	4.50%	NA	NA

Assumed health care cost trend rates at December 31:

	2003	2002
Health care cost trend rate assumed for next year	13%	14%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5%	5%
Year that the rate reaches the ultimate trend rate	2012	2012

The assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. The following table shows how an assumed 1% increase or 1% decrease in health care cost trends could impact postretirement benefits in 2003 dollars:

<i>(In thousands)</i>	1% Increase	1% Decrease
Effect on postretirement benefit obligation	\$8,815	\$(7,579)

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On December 8, 2003, the "Medicare Prescription Drug, Improvement and Modernization Act of 2003" (the Act) was signed into law. The Act introduced a prescription drug benefit program under Medicare (Medicare Part D) as well as a federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to Medicare Part D.

In general, accounting rules require that changes in relevant laws and government benefit programs be considered in measuring postretirement benefit costs and the Accumulated Projected Benefit Obligation (APBO). However, certain accounting issues raised by the Act—in particular, how to account for the federal subsidy—are not explicitly addressed by FASB Statement 106. In addition, significant uncertainties exist for a plan sponsor both as to the direct effects of the Act and its ancillary effects on plan participants' behavior and health care costs.

The FASB issued FASB Staff Position No. FAS 106-1, *Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (FSP 106-1)*, that allows sponsors to elect to defer recognition of the effects of the Act.

In accordance with FSP 106-1, MGE has elected to defer recognition of the effects of the Act. Accordingly, any measurements of the APBO or net periodic postretirement benefit cost in the financial statements or the accompanying footnotes do not reflect the effects of the Act on the plan.

b. Plan Assets

(In thousands)	Pension Benefits		Postretirement Benefits	
	2003	2002	2003	2002
Change in plan assets:				
Fair value of plan assets at beginning of year	\$ 79,821	\$ 91,739	\$ 7,292	\$ 7,387
Actual return on plan assets	20,883	(10,225)	1,429	(526)
Employer contributions	3,494	1,884	2,152	970
Plan participants' contributions	-	-	304	264
Gross benefits paid	(3,970)	(3,577)	(1,236)	(803)
Fair value of plan assets at end of year	\$100,228	\$ 79,821	\$ 9,941	\$ 7,292

The asset allocation for MGE's pension plans at the end of 2003 and 2002 and the target allocation for 2004, by asset category, follows. The fair value of plan assets for these plans is \$100.2 million and \$79.8 million at the end of 2003 and 2002, respectively. The expected long-term rate of return on these plan assets was 9.0% in 2003 and 9.5% in 2002.

c. Explanation of Long-Term Rate of Return

MGE employs a building-block approach in determining the expected long-term rate of return for asset classes. Historical markets are studied and long-term historical relationships among asset classes are analyzed, consistent with the widely accepted capital market principle that assets with higher volatility generate a greater return over the long run. Current market factors such as interest rates and dividend yields are evaluated before long-term capital market assumptions are determined.

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The expected long-term nominal rate of return for plan assets is primarily a function of expected long-term real rates of return for component asset classes and the plan's target asset allocation in conjunction with an inflation assumption. Consideration is also given to diversification, rebalancing, and active portfolio management. Peer data and historical returns are reviewed to check for reasonability and appropriateness.

	Target Allocation	Percentage of Plan Assets at Year End	
		2003	2002
Equity securities	75.0%	75.8%	71.9%
Debt securities	20.0%	19.4%	21.2%
Real estate	5.0%	4.8%	6.9%
Other	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%

d. Investment Strategy

MGE employs a total return investment approach whereby a mix of equities, fixed income, and real estate investments are used to maximize the expected long-term return of plan assets for a prudent level of risk. Risk tolerance is established through careful consideration of plan liabilities, plan-funded status, and corporate financial condition. The investment portfolio contains a diversified blend of equity, fixed income, and real estate investments. Target asset allocations are as follows: 55% United States equity, 20% non-United States equity, 20% fixed income, and 5% real estate. Investment risk is measured and monitored on an ongoing basis through periodic investment portfolio reviews and liability measurements.

e. Postretirement Benefits

The fair value of plan assets for these postretirement benefit plans is \$9.9 million and \$7.3 million at the end of 2003 and 2002, respectively. The expected long-term rate of return on these plan assets was 9.0% in 2003 and 9.5% in 2002.

Of the above amounts, \$7.3 million and \$6.6 million at the end of 2003 and 2002, respectively, was held in the master pension trust and is allocable to postretirement health expenses. The target asset allocation and investment strategy for the portion of assets held in the master pension trust is the same as that explained for MGE's pension plans.

The remainder of postretirement benefit assets are held either in an insurance continuance fund for the payment of retiree life benefits or a health benefit trust for payment of retiree health claims. There is no formal target asset allocation for these assets, but the intent is to seek interest income and maintain stability of principal.

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f. Funded Status

The funded status of the plans, reconciled to the amount reported on the statement of financial position, follows:

(In thousands)	Pension Benefits		Postretirement Benefits	
	2003	2002	2003	2002
Fair value of plan assets at end of year	\$100,228	\$ 79,821	\$ 9,941	\$ 7,292
Benefit obligations	133,461	117,410	54,813	45,639
Funded status at end of year	(33,233)	(37,589)	(44,872)	(38,347)
Unrecognized net actuarial (gain)/loss	25,364	32,925	24,904	21,809
Unrecognized prior service cost	4,170	4,094	971	1,161
Unrecognized net transition obligation	1,167	1,271	3,908	4,342
Net amount recognized at end of year	<u>\$ (2,532)</u>	<u>\$ 701</u>	<u>\$(15,089)</u>	<u>\$(11,035)</u>

Amounts recognized in the balance sheet consist of:

Prepaid benefit cost	\$ -	\$ -	\$ 67	\$ 79
Accrued benefit liability	(13,551)	(20,583)	(15,156)	(11,114)
Intangible asset	5,357	5,540	-	-
Accumulated other comprehensive income	5,662	15,744	-	-
Net amount recognized at end of year	<u>\$ (2,532)</u>	<u>\$ 701</u>	<u>\$(15,089)</u>	<u>\$(11,035)</u>

MGE reports comprehensive income in accordance with SFAS No. 130, *Reporting Comprehensive Income*. Comprehensive income includes the minimum pension liability adjustment, net of tax, for the pension plans and is reflected in the Statements of Accumulated Comprehensive Income, Comprehensive Income, and Hedging Activities.

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The projected benefit obligation, accumulated benefit obligation, and fair value of assets for pension plans with a projected benefit obligation in excess of plan assets and pension plans and postretirement plans with an accumulated benefit obligation in excess of the fair value of assets are as follows:

(In thousands)	Pension Benefits		Postretirement Benefits	
	2003	2002	2003	2002
As of December 31,				
Projected benefit obligation exceeds plan assets:				
Projected benefit obligation	\$133,461	\$117,410	NA	NA
Accumulated benefit obligation	113,779	100,404	NA	NA
Fair value of assets	100,228	79,821	NA	NA
Accumulated benefit obligation exceeds plan assets:				
Projected benefit obligation	133,461	117,410	NA	NA
Accumulated benefit obligation	113,779	100,404	\$54,813	\$45,639
Fair value of assets	100,228	79,821	9,941	7,292

g. Expected Cash Flows

There are no required contributions, but MGE may elect discretionary deductible contributions depending upon its valuation results and cash flow from operations.

h. Net Periodic Cost

MGE has elected to recognize the cost of its transition obligation (the accumulated postretirement benefit obligation as of January 1, 1993) by amortizing it on a straight-line basis over 20 years.

(In thousands)	Pension Benefits		Postretirement Benefits	
	2003	2002	2003	2002
Components of net periodic benefit cost:				
Service cost	\$3,418	\$2,603	\$1,806	\$1,062
Interest cost	8,023	7,514	3,248	2,190
Expected return on assets	(7,023)	(8,556)	(627)	(687)
Amortization of:				
Transition obligation	104	104	434	434
Prior service cost	480	457	190	190
Actuarial gain/(loss)	1,444	147	1,155	285
Net periodic benefit cost	\$6,446	\$2,269	\$6,206	\$3,474

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<i>(In thousands)</i>	Pension		Postretirement	
	Benefits		Benefits	
Discount rate	6.75%	7.25%	6.75%	7.25%
Expected return on plan assets	9.00%	9.50%	9.00%	9.50%
Rate of compensation increase	4.50%	4.50%	NA	NA

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A 1% change in the assumed health care cost trend rates would have had the following effect:

<i>(In thousands)</i>	1% Increase	1% Decrease
Effect on total service and interest cost components	\$ 910	\$ (785)

11. Fair Value of Financial Instruments

At December 31, 2003, and 2002, the carrying amount of cash, cash equivalents, and outstanding commercial paper approximates fair market value due to the short maturity of those investments and obligations. MGE's nuclear decommissioning trust is recorded at fair market value. The estimated fair market value of MGE's long-term debt and interest rate swap agreements are based on quoted market prices at December 31. The estimated fair market value of MGE's financial instruments are as follows:

<i>(In thousands)</i>	2003		2002	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:				
Cash and cash equivalents	\$ 450	\$ 450	\$ 218	\$ 218
Restricted cash	3,364	3,364	2,313	2,313
Decommissioning fund	-	-	8,782	8,782
Liabilities:				
Short-term debt - commercial paper	15,500	15,500	13,500	13,500
Long-term debt	218,500	231,712	188,500	205,319
Other long-term debt swap agreements	(148)	(148)	(411)	(411)

12. Risk Management Activities

Cash, cash equivalents, and customer accounts receivable are the financial instruments that potentially subject MGE to concentrations of credit risk. MGE places its cash and cash equivalents with high credit-quality financial institutions. MGE has limited concentrations of credit risk from customer accounts receivable because of the large number of customers and strong economy in its service territory.

MGE has an interest rate swap agreement with a commercial bank totaling \$5.0 million for 2003 and 2002 with effective interest rates of 1.1% and 1.7%, respectively. This agreement has a fixed rate and is backed by MGE's commercial paper. MGE believes the counterparties to the agreement will meet their obligations based on their high credit ratings. Therefore, MGE records the changes in the fair market value currently in the income statement as required by SFAS No. 133 each quarter, which is offset by a corresponding regulatory asset or liability.

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MGE purchased and sold exchange-traded option contracts to manage the cost of gas and purchased over-the-counter financial floating-to-fixed price swaps and calls to fix the price of gas for the "Winter Set-Price Firm Gas Sales Service" pilot program. These contracts have terms of January, February, and March 2004. Under MGE's natural gas risk management program approved by the PSCW, the cost of the financial option and swap contracts (as well as the gains or losses realized) will be recovered under the PGA and will not affect net income. The fair value of these financial contracts was an asset of \$0.7 million on the balance sheet at December 31, 2003.

Nonperformance of counterparties to the nonexchange-traded derivatives could expose MGE to credit loss. However, MGE enters into transactions only with companies that meet or exceed strict credit guidelines.

MGE has a 22.0% ownership interest in Columbia, which is operated by Alliant. Alliant has entered into a long-term coal supply agreement with Dynegy Marketing and Trade. The contract contains certain put options, and consequently, in accordance with the terms of SFAS No. 133, the contract is recorded at fair value on the balance sheet. Gains and losses are recorded in other income with an offsetting entry to a corresponding regulatory asset or liability.

13. Capitalization Matters

a. Common Stock

MGE Energy owns all the outstanding common shares of MGE.

b. Preferred Stock

MGE has 1,175,000 shares of \$25 par value redeemable preferred stock (cumulative) that is authorized but unissued at December 31, 2003.

c. First Mortgage Bonds and Other Long-Term Debt

MGE's utility plant is subject to the lien of its First Mortgage Bonds.

MGE's outstanding First Mortgage Bonds contain certain debt covenant restrictions with respect to dividends. The covenant restricts the payment of dividends or any other distribution or purchase of shares to the existing earned surplus (retained earnings) on MGE common stock. As of December 31, 2003, MGE's earned surplus exceeded all such payments for all years covered under this report.

On November 27, 2002, MGE issued \$15.0 million in unsecured variable rate Medium Term Notes, maturing on November 26, 2004. Interest on the notes will be paid quarterly on the third Wednesday of March, June, September, and December. The variable rate, based on the three-month London Interbank Offering Rate (LIBOR) plus 12.5 basis point, was 1.295% as of December 31, 2003.

On September 9, 2003, MGE issued \$20 million in unsecured 6.12% Medium Term Notes maturing on September 1, 2028. Interest on these notes will be paid semiannually on March 1 and September 1 of each year. The proceeds from this issue were used to redeem \$20 million, 7.70%, 2028 Series, First Mortgage Bonds, on September 30, 2003. The call premium for the redeemed bonds was \$0.9 million and is recoverable through rates.

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The indenture under which the Medium Term Notes were issued provides they will be entitled to be equally and ratably secured in the event MGE issues any additional First Mortgage Bonds.

Below is MGE's aggregate maturities for all long-term debt for years following the December 31, 2003, balance sheet.

<i>(In thousands)</i>	
	Amount
2004	\$ 20,000
2005	-
2006	-
2007	15,000
2008	30,000
Future years	158,500
Total*	\$223,500

**Includes \$30 million maturity for MGE Power West Campus, which is consolidated with MGE's debt in accordance with FIN No. 46-R (see Footnote 2).*

d. Long-Term Debt.

On September 30, 2003, MGE Energy, through MGE Power West Campus, issued \$30.0 million of 5.68% senior secured notes maturing September 25, 2033, in a private placement offering. Interest only will be paid monthly for the first ten years, and then principal and interest payments will be paid monthly for the remaining life of the debt. The proceeds from these notes were used to pay off a portion of MGE Energy's bank loans, which provided temporary financing of capital expenditures for the WCCF. This is being consolidated with the utility in accordance with FIN No. 46 (see Footnote 2).

The debt is subject to a collateral assignment of lease payments that MGE will be making to MGE Power West Campus for use of the cogeneration facility. Until the facility is operational, MGE Energy will guarantee the debt.

14. Notes Payable to Banks, Commercial Paper, and Lines of Credit

For short-term borrowings, MGE generally issues commercial paper (issued at the prevailing discount rate at the time of issuance), which is supported by unused bank lines of credit. Through negotiations with three banks, MGE has \$40.0 million in bank lines of credit.

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Information concerning short-term borrowings for the past two years is shown below:

<i>(In thousands)</i>	<u>2003</u>	<u>2002</u>
MGE		
As of December 31:		
Available lines of credit	\$40,000	\$40,000
Commercial paper outstanding	\$15,500	\$13,500
Weighted-average interest rate	1.21%	1.40%
During the year:		
Maximum short-term borrowings	\$15,500	\$33,500
Average short-term borrowings	\$2,162	\$14,359
Weighted-average interest rate	1.29%	1.82%

15. Rate Matters

Under the fuel rules, if electric fuel costs are outside a 3.0% annual threshold set by the PSCW, MGE can apply for a fuel surcharge or may be required to return a fuel credit to its customers. MGE is allowed to retain fuel savings within 3% under and must bear fuel costs within 3% over the level set in its most recent order. On July 28, 2003, MGE submitted an application to the PSCW for decreasing electric rates as required under the fuel rules monitoring mechanism. The PSCW on August 14, 2003, reopened MGE's rate case docket to examine fuel costs and how to appropriately credit ratepayers. The PSCW approved an interim fuel cost credit of \$.00099 per kWh. The PSCW also required a full review of the actual and forecasted costs for 2003 with MGE's fuel rates subject to refund. The fuel credit through December 31, 2003, totaled \$4.0 million, of which \$1.2 million represents the interim fuel credit and \$2.8 million is the estimate for the additional fuel credit to be refunded to customers.

On January 14, 2004, the PSCW authorized MGE to increase revenues by \$12.8 million. The increase covers rising fuel costs for electric generation and addresses increased system demands for both gas and electric.

Effective March 1, 2003, the PSCW authorized MGE to increase revenues by \$27.1 million. The increase covered rising fuel costs and addressed increased system demands and costs to complete a new AMR project.

Effective October 24, 2002, the PSCW authorized an electric rate surcharge of \$4.5 million to recover deferred costs associated with forming ATC and ongoing incremental transmission costs during 2001 and 2002. The surcharge was in effect for a 12-month period ending October 23, 2003 (see Footnote 17 for additional information on ATC).

In July 2002, MGE notified the PSCW that its electric fuel costs were below the 3% range established in its most recent order, thus triggering a fuel credit to its customers. The fuel credit was \$1.2 million through December 31, 2002. The fuel credit continued through February 28, 2003.

Effective January 1, 2002, the PSCW authorized MGE to increase revenues by \$12 million. The increase was associated with a limited reopener to address specific issues affecting 2002. These issues included the full-year impact of selling its ownership interest in Kewaunee, rising fuel costs, and installing an AMR system.

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16. Commitments

a. Coal Contracts

MGE has no coal contracts that contain demand obligations for its Blount plant. Fuel procurement for MGE's jointly owned Columbia plant is handled by Alliant, the operating company. If any demand obligations must be paid under these contracts, management believes these obligations would be considered costs of service and recoverable in rates.

b. Purchased Power Contracts

MGE has several purchased power contracts to help meet future electric supply requirements. As of December 31, 2003, MGE's total commitments for energy and purchased power contracts for capacity are estimated to be \$14.8 million in 2004, \$13.4 million in 2005, \$13.5 million in 2006, \$10.5 million in 2007, and \$9.0 million in 2008. Management expects to recover these costs in future customer rates.

Related to the purchased power contracts, MGE has negotiated firm transmission contracts with Commonwealth Edison and Dairyland Power Cooperative, which are estimated to be \$1.8 million for 2004, \$1.1 million in 2005 and 2006, \$0.8 million in 2007, and \$0.6 million in 2008. Management also expects to recover these costs in future customer rates.

c. Natural Gas Transportation and Storage Contracts

MGE's natural gas supply, transportation, and storage contracts require fixed monthly payments for firm supply pipeline transportation and storage capacity. The pricing components of the fixed monthly payments for the transportation and storage contracts are established by FERC but may be subject to change. These payments are estimated to be \$15.0 million in 2004, \$14.0 million in 2005, \$14.3 million in 2006, \$14.2 million in 2007, and \$14.0 million in 2008. Management expects to recover these costs in future customer rates.

d. Environmental

As a result of the Blount 69-kV transmission substation expansion, coal tar-contaminated soil and debris within the excavation zone are being removed and disposed of in accordance with a DNR approved "Removal Action Work Plan." MGE has recorded a \$1 million liability for the cleanup of this site with an offsetting regulatory asset (deferred charge). We expect to recover cleanup costs in future rates. Carrying costs associated with the cleanup expenditures will not be recoverable.

MGE is listed as a potentially responsible party for a site the EPA has placed on the national priorities Superfund list. The Lenz Oil site in Lemont, Illinois, was used for storing and processing waste oil for several years. This site requires cleanup under the Comprehensive Environmental Response, Compensation and Liability Act. A group of companies, including MGE, is currently working on cleaning up the site. Management believes that its share of the Lenz Oil site final cleanup costs will not result in any materially adverse effects on MGE's operations, cash flows, or financial position. Insurance may cover a portion of the cleanup costs. Management believes the cleanup costs not covered by insurance will be recovered in current and future rates. MGE estimates its future expense to clean up this site could range from \$0.1 million to \$0.2 million. At December 31, 2003, MGE accrued a \$0.1 million liability for this matter.

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e. Chattel Paper Agreement

MGE makes available to qualifying customers a financing program for the purchase and installation of energy-related equipment that will provide more efficient use of utility service at the customer's property. MGE is party to a chattel paper purchase agreement with a financial institution under which it can sell or finance an undivided interest with recourse, in up to \$7.5 million of the financing program receivables until February 28, 2005. At December 31, 2003, and 2002, respectively, MGE had sold a \$6.1 million and \$6.8 million interest in these receivables, which MGE accounted for as a sale under SFAS No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities - a Replacement of FASB Statement No. 125*. MGE retains the servicing responsibility for these receivables.

MGE maintains responsibility for collecting and remitting loan payments from customers to the financial institution and does not retain any interest in the assets sold to the financial institution. As of December 31, 2003, and 2002, MGE has recorded a servicing asset of \$0.3 million and \$0.2 million, respectively. In 2003 and 2002, gains of \$0.1 million and \$0.2 million, respectively, were recognized in connection with the sale of loan assets. In 2001, no gain or loss was recognized. The servicing asset recognized and the amount amortized in 2003 totaled \$0.1 million. The loan assets are sold to the financial institution at cost, which approximates fair value in view of their market rates of interest. During 2003 and 2002, MGE received approximately \$1.3 million and \$3.3 million, respectively, from the financial institution for the sale of loan assets. During those same years, payments of \$1.6 million and \$2.4 million, respectively, were made by MGE to the financial institution.

MGE would be required to perform under the guarantee if the customer defaulted on their loan. The energy-related equipment installed at the customer sites is used to secure the customer loans. The length of the MGE guarantee to the financial institution varies from one to ten years depending on the term of the customer loan. Principal payments for the next five years on the loans are \$0.9 million in 2004 and 2005 and \$0.8 million in 2006, 2007, and 2008.

f. WCCF Purchase Commitments

MGE has entered into various contracts for the purchase of gas and steam turbines and miscellaneous equipment for the WCCF. Most of these contracts have been assigned or are in the process of being assigned to MGE Construct, a subsidiary of MGE Energy.

g. Leases

Future minimum rental payments at December 31, 2003, under agreements classified as operating leases with noncancellable terms in excess of one year are as follows:

<i>(In thousands)</i>	
2004	\$1,379
2005	1,023
2006	751
2007	595
2008	524
Thereafter	4,668
Total minimum future lease payments	<u>\$8,940</u>

Rental expense under operating leases totaled \$1.5 million for 2003 and \$1.6 million for 2002 and 2001.

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17. ATC

On January 1, 2001, MGE transferred substantially all of its electric transmission facilities to ATC in exchange for approximately a 5% interest in this joint venture. ATC is comprised of Wisconsin investor-owned utilities and some Wisconsin municipal utilities, cooperatives, and power-supply agencies.

MGE has a seat on the Board of Directors of ATC and has a 20% ownership interest in ATC Management, Inc. Due to MGE's ability to exercise significant control over management activities, MGE has accounted for this investment under the equity method of accounting. MGE records as equity in earnings of the investee its share of ATC's earnings, amortization of the SFAS No. 109 regulatory liability, and deferred investment tax credits related to the transmission assets transferred to ATC. MGE recorded equity earnings from its investment in ATC of \$3.7 million (pretax) in 2003 and \$3.3 million (pretax) in 2002. MGE recorded transmission expenses from ATC of \$13.5 million in 2003 and \$7.5 million in 2002.

The PSCW authorized an electric rate surcharge of \$4.5 million, or 2%, over a twelve-month period ended October 23, 2003, for MGE to recover deferred costs associated with the ATC formation and ongoing incremental transmission costs during 2001 and 2002.

On November 21, 2002, MGE and ATC entered into an interconnection agreement related to transmission system upgrades for WCCF. MGE issued to the ATC a "Notice to Proceed for the Procurement of the Equipment" for the system upgrades. MGE has advanced funds for construction to ATC for transmission equipment related to WCCF in the amounts of \$9.2 million and \$1.3 million in 2003 and 2002, respectively. MGE expects to advance an additional \$0.8 million in 2004. MGE will be reimbursed by ATC upon completion of the project.

18. Kewaunee Sale

MGE sold to WPSC its 17.8% ownership interest in Kewaunee in September 2001. In exchange for a cash payment of \$15.4 million, MGE transferred its net book value of utility plant (\$8.2 million), net nuclear fuel (\$7.9 million), inventories (\$1.5 million), and other assets (\$0.1 million). These assets were offset by \$2.3 million owed to WPSC. On the closing date, MGE also transferred its qualified decommissioning fund (\$65.0 million, fair market value) and nonqualified decommissioning fund (\$28.1 million, fair market value), which decreased accumulated depreciation by an equal amount.

MGE made monthly contributions of approximately \$0.7 million (the level authorized by the PSCW) to the MGE nonqualified decommissioning fund from September 23, 2001, through December 31, 2002. These costs were recovered from customers in rates. MGE's decommissioning liability is limited to the fund balances at the closing date plus all decommissioning collections through 2002. MGE's nonqualified decommissioning fund is shown on the balance sheet in the Utility Plant section. Under the Kewaunee sale agreement, MGE was obligated to continue collecting decommissioning costs from its customers during 2002 and to remit those amounts, net of trust investment expenses and taxes on investment income, to the WPSC nonqualified decommissioning fund, which it did on January 3, 2003. MGE has no further obligation with respect to the decommissioning of Kewaunee except as described in the next paragraph with respect to spent nuclear fuel.

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The federal government is responsible for the disposition and storage of spent nuclear fuel. Federal legislation is being considered to establish an interim storage facility. Spent nuclear fuel is currently stored at Kewaunee. Minor plant modifications to the spent fuel pools in 2001 should ensure Kewaunee has sufficient fuel storage capacity until the end of its licensed life in 2013. MGE retained its spent fuel obligations for all fuel burned at Kewaunee for MGE's share of the generation from the opening of the plant to the closing date. WPSC took title to such fuel at the closing date.

A surcharge imposed by the National Energy Policy Act of 1992 requires nuclear power companies to fund the decontamination and decommissioning of U.S. Department of Energy facilities that process nuclear fuel. As a result, the Kewaunee co-owners are required to pay a surcharge on uranium enrichment services purchased from the federal government prior to October 23, 1992. On an inflation-adjusted basis, MGE's portion of the obligation related to Kewaunee is approximately \$0.8 million at December 31, 2003. MGE is required to continue paying its portion of this annual assessment.

As allowed under the Kewaunee sale agreement, MGE exercised an option to purchase 90 MW of electric capacity and energy at a fixed price from September 24, 2001, through September 23, 2003, to help meet customers' electric needs.

19. Adoption of Accounting Principles and Recently Issued Accounting Pronouncements

a. SFAS No. 143.

In 2001, FASB issued SFAS No. 143, *Accounting for Asset Retirement Obligations*. SFAS No. 143 provides accounting requirements for retirement obligations associated with tangible long-lived assets. MGE was required to adopt SFAS No. 143 as of January 1, 2003. Retirement obligations associated with long-lived assets included within the scope of SFAS No. 143 are those for which there is a legal obligation under existing or enacted law, statute, written or oral contract, or by legal construction under the doctrine of promissory estoppel.

Effective January 1, 2003, MGE recorded an obligation for the fair value of its legal liability for asset retirement obligations associated with removing an electric substation, a combustion turbine generating unit, wind generating facilities, and the photovoltaic generating facilities, all of which are located on property not owned by MGE and would be removed upon the ultimate end of the lease. At December 31, 2003, this liability is estimated at \$1.4 million and is included in other deferred liabilities.

At the point the liability for asset retirement is incurred, SFAS No. 143 requires capitalization of the costs to the related asset, property, plant, and equipment, net. For asset retirement obligations existing at the time of adoption, the statement requires capitalization of costs at the level that existed at the point of incurring the liability. These capitalized costs are depreciated over the same period as the related property. At the date of adoption, the depreciation expense for past periods was recorded as a regulatory asset in accordance with SFAS No. 71 because MGE believes the PSCW will allow it to recover these costs in future rates. Current depreciation of the asset retirement cost is also being deferred as a regulatory asset under SFAS No. 71.

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The initial liability is accreted to its present value each period. MGE defers this accretion as a regulatory asset based on its determination that these costs can be collected from customers. MGE also may have asset retirement obligations relating to various assets, such as combustion turbine generating units, small distributed generating units, aboveground and underground storage tanks, facilities located at Columbia (co-owned with Alliant and WPSC), and certain electric and gas distribution facilities. These facilities are generally located on property owned by third parties on which MGE is permitted to operate by lease, permit, easement, license, or service agreement but also include some facilities located on property owned by MGE. The asset retirement obligations associated with these facilities cannot be reasonably determined due to the indeterminate life of the related assets.

The pro forma asset retirement obligation MGE would have recognized as of January 1, 2002, had MGE implemented SFAS No. 143 as of that date was approximately \$1.2 million based on the information, assumptions, and interest rates as of January 1, 2003, used to determine the \$1.4 million liability recognized upon initial adoption of SFAS No. 143. Because MGE's regulators are allowing these costs to be recovered in future rates, adoption of SFAS No. 143 in the first quarter of 2002 would have had no impact on net income and earnings per share of common stock. Accordingly, pro forma impacts are not presented.

The following table shows costs as of January 1, 2003, and changes to the asset retirement obligation and accumulated depreciation during the 12 months ended December 31, 2003.

(In thousands)	(a)	(b)	(c)	(d)
	Original Asset Retirement Obligation	Accumulated Accretion	(a + b) Asset Retirement Obligation	Accumulated Depreciation-Related Asset
Balance, Jan. 1, 2003 (date of adoption)	\$685	\$596	\$1,281	\$148
Changes through Dec. 31, 2003	1	79	80	27
Balance, Dec. 31, 2003	\$686	\$675	\$1,361	\$175

As of December 31, 2003, MGE's regulatory asset, included in deferred charges, is the total accumulated accretion (\$675,000) and accumulated depreciation (\$175,000) or \$850,000.

In connection with the adoption of SFAS No. 143, companies are required to reclassify non-ARO removal costs. The reclass removes the costs from accumulated depreciation and records them as a regulatory liability. Per the FERC Order No. 631 Final Rule, the Commission did not change its existing accounting requirements for classifying non-ARO removal costs, therefore, the non-ARO removal costs were not reclassified.

b. SFAS No. 146.

In June 2002, the FASB issued SFAS No. 146, *Accounting for Costs Associated with Exit or Disposal Activities*. This statement addresses financial accounting and reporting for costs associated with exit or disposal activities and nullifies EITF 94-3, *Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)*. SFAS No. 146 is effective for transactions initiated after December 31, 2002. Adoption of this statement did not have a material impact on the consolidated financial statements.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

c. SFAS No. 148.

In December 2002, the FASB issued SFAS No. 148, *Accounting for Stock-Based Compensation-Transition and Disclosure*. This statement amends FASB Statement No. 123, *Accounting for Stock-Based Compensation*, to provide alternative methods of transition for a voluntary change to the fair value-based method of accounting for stock-based employee compensation. In addition, the statement amends the disclosure requirements of Statement 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. MGE has no stock options as of December 31, 2003, and therefore, SFAS No. 148 did not have a material impact on the consolidated financial statements.

d. SFAS No. 149.

On April 30, 2003, the FASB issued SFAS No. 149, *Amendment of SFAS No. 133 on Derivative Instruments and Hedging Activities*. This statement amends and clarifies accounting for derivative instruments including certain derivative instruments embedded in other contracts for hedging activities. SFAS No. 149 amends certain other existing pronouncements. The amendments will result in a more consistent reporting of contracts that are derivatives in their entirety or that contain embedded derivatives that warrant separate accounting. SFAS No. 149 is effective for contracts entered into or modified after June 30, 2003. Adoption of this statement did not have a material impact on the consolidated financial statements.

e. SFAS No. 150.

In May 2003, the FASB issued SFAS No. 150, *Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity*. This statement establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. It requires that an issuer classify a financial instrument that is within the scope of SFAS No. 150 as a liability (or an asset in some circumstances). Many of those instruments were previously classified as equity. SFAS No. 150 is effective for interim periods beginning after June 15, 2003, for financial instruments entered into or modified after May 31, 2003, except for mandatorily redeemable financial instruments of nonpublic entities which will be effective for interim periods beginning after December 15, 2003. Adoption of this statement did not have a material impact on the consolidated financial statements.

f. SFAS No. 132.

In December 2003, the FASB issued an amended SFAS No. 132, *Employers' Disclosures about Pensions and Other Postretirement Benefits*. This revised statement requires additional disclosures to those in the original SFAS No. 132 about the plan assets, obligations, cash flows, and net periodic benefit cost of defined benefit pension plans and other defined benefit postretirement plans.

g. FIN No. 45.

In November 2002, the FASB issued FIN No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others*. This interpretation provides the disclosures to be made by a guarantor in interim and annual financial statements about obligations under certain guarantees. The interpretation also clarifies that a guarantor is required to recognize, at the inception of a guarantee, a liability for the fair value of the obligation.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

MGE makes available to qualifying customers a financing program for the purchase and installation of energy-related equipment that will provide more efficient use of utility service at the customer's property. MGE is party to a chattel paper purchase agreement with a financial institution under which it can sell or finance an undivided interest with recourse, in up to \$7.5 million of the financing program receivables, until February 28, 2004. Loans totaling \$1.1 million have been sold to the financial institution during 2003. The liability for the fair value of the obligation associated with these loans is not material.

MGE would be required to perform under the guarantee if the customer defaulted on its loan. The energy-related equipment installed at the customer sites is used to secure the customer loans. The length of the MGE guarantee to the financial institution varies from one to ten years depending on the term of the customer loan. Principal payments for the next five years on the loans are \$0.9 million in 2004 and 2005 and \$0.8 million in 2006, 2007, and 2008.

h. FIN No. 46.

In January 2003, the FASB issued FIN No. 46, *Consolidation of Variable Interest Entities - an Interpretation of ARB No. 51.* In December 2003, the FASB issued the updated and final interpretation FIN No. 46-R. FIN No. 46-R requires that an equity investor in a VIE have significant equity at risk (generally a minimum of 10%, which is an increase from 3% required under the previous guidance) and hold a controlling interest, evidenced by voting rights, and absorb a majority of the entity's expected losses, receive a majority of the entity's expected returns, or both. If the equity investor is unable to evidence these characteristics, the entity that retains these ownership characteristics will be required to consolidate the VIE as the primary beneficiary. FIN No. 46 was applicable immediately to VIEs created or obtained after January 31, 2003. FIN No. 46-R was effective on December 31, 2003, for interests in entities that were previously considered special purpose entities under then existing authoritative guidance.

MGE Power West Campus is a VIE pursuant to FIN No. 46-R, as the equity investment at December 31, 2003, was not sufficient to permit the entity to finance its activities without additional support. MGE concluded a VIE relationship exists due to the long-term lease arrangement between MGE and MGE Power West Campus. MGE Power West Campus will lease a major portion of its assets, a power plant, to MGE, pursuant to this leasing arrangement, and MGE will absorb a majority of the expected losses, residual, or both. The VIE was consolidated into MGE as of December 31, 2003.

i. EITF 03-11.

In July 2003, FASB issued EITF 03-11, *Reporting Realized Gains and Losses on Derivative Instruments that are subject to SFAS No. 133 (Accounting for Derivative Instruments and Hedging Activities), and Not Held for Trading Purposes.* This issue addresses whether realized gains and losses should be shown gross or net in the income statement for contracts that are not held for trading purposes. This issue will not have a material impact on the consolidated financials statements.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report
Madison Gas and Electric Company			Dec 31, 2003
NOTES TO FINANCIAL STATEMENTS (Continued)			

j. FSP 106-1.

In January 2004, the FASB issued FASB Staff Position No. FAS 106-1 (FSP 106-1), *Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Act)*. FSP 106-1 permits employers that sponsor postretirement benefit plans (plan sponsors) that provide prescription drug benefits to retirees to make a one-time election to defer accounting for any effects of the Act. The FSP 106-1 requires all plan sponsors to provide certain disclosures, regardless of whether they choose to account or defer accounting. FSP 106-1 is effective for annual fiscal periods ending after December 7, 2003. If deferral is elected, the deferral must remain in effect until the earlier of (1) the issuance of guidance by the FASB on how to account for the federal subsidy to be provided to plan sponsors under the Act or (2) the remeasurement of plan assets and obligations subsequent to January 31, 2004. MGE has elected to defer recognition of the Act.

k. SEC SAB No. 104.

In December 2003, the SEC issued SAB No. 104 regarding revenue recognition. SAB No. 104 revises or rescinds portions of the interpretive guidance included in Topic 13 of the codification of Staff Accounting Bulletins to make the guidance consistent with current authoritative accounting and auditing guidance and SEC rules and regulations. MGE will comply with the revised guidance.

20. Distribution of Net Assets

The distribution of assets between electric and gas is as follows:

(In thousands)	2003	2002
Electric	\$511,417	\$407,891
Gas	159,934	148,427
Assets not Allocated	52,451	77,348
Totals	<u>\$723,802</u>	<u>\$633,666</u>

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Classification (a)	Total (b)	Electric (c)	
1	Utility Plant			
2	In Service			
3	Plant in Service (Classified)	805,542,021	546,031,267	
4	Property Under Capital Leases			
5	Plant Purchased or Sold	184,391		
6	Completed Construction not Classified			
7	Experimental Plant Unclassified			
8	Total (3 thru 7)	805,726,412	546,031,267	
9	Leased to Others			
10	Held for Future Use	20,051	20,051	
11	Construction Work in Progress	88,489,334	29,172,264	
12	Acquisition Adjustments			
13	Total Utility Plant (8 thru 12)	894,235,797	575,223,582	
14	Accum Prov for Depr, Amort, & Depl	374,952,212	234,433,955	
15	Net Utility Plant (13 less 14)	519,283,585	340,789,627	
16	Detail of Accum Prov for Depr, Amort & Depl			
17	In Service:			
18	Depreciation	374,952,212	234,433,955	
19	Amort & Depl of Producing Nat Gas Land/Land Right			
20	Amort of Underground Storage Land/Land Rights			
21	Amort of Other Utility Plant			
22	Total In Service (18 thru 21)	374,952,212	234,433,955	
23	Leased to Others			
24	Depreciation			
25	Amortization and Depletion			
26	Total Leased to Others (24 & 25)			
27	Held for Future Use			
28	Depreciation			
29	Amortization			
30	Total Held for Future Use (28 & 29)			
31	Abandonment of Leases (Natural Gas)			
32	Amort of Plant Acquisition Adj			
33	Total Accum Prov (equals 14) (22,26,30,31,32)	374,952,212	234,433,955	

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) Nonutility Prop. (e)	Other (Specify) West Campus Cogen Facility(f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
214,343,653				45,167,101	3
					4
184,391					5
					6
					7
214,528,044				45,167,101	8
					9
					10
5,049,620	29,999	48,629,643		5,607,808	11
					12
219,577,664	29,999	48,629,643		50,774,909	13
117,027,365	2,892			23,488,000	14
102,550,299	27,107	48,629,643		27,286,909	15
					16
					17
117,027,365	2,892			23,488,000	18
					19
					20
					21
117,027,365	2,892			23,488,000	22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
117,027,365	2,892			23,488,000	33

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)		
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	430,356	1
9	(311) Structures and Improvements	30,081,931	201,420
10	(312) Boiler Plant Equipment	92,599,519	1,591,920
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units	29,044,151	320,743
13	(315) Accessory Electric Equipment	7,406,334	80,553
14	(316) Misc. Power Plant Equipment	3,201,388	252,746
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	162,763,679	2,447,383
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights	10,616	
38	(341) Structures and Improvements	4,667,002	
39	(342) Fuel Holders, Products, and Accessories	1,168,293	
40	(343) Prime Movers	7,569,732	
41	(344) Generators	53,990,496	
42	(345) Accessory Electric Equipment	3,257,023	
43	(346) Misc. Power Plant Equipment	474,219	

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
				3
				4
				5
				6
				7
			430,357	8
19,231			30,264,120	9
477,057			93,714,382	10
				11
			29,364,894	12
			7,486,887	13
7,172			3,446,962	14
				15
503,460			164,707,602	16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
				35
				36
			10,616	37
			4,667,002	38
			1,168,293	39
			7,569,732	40
			53,990,496	41
			3,257,023	42
			474,219	43

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)		
44	(347) Asset Retirement Costs for Other Production		649,230		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	71,137,381	649,230		
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	233,901,060	3,096,613		
47	3. TRANSMISSION PLANT				
48	(350) Land and Land Rights	845,885	1,543		
49	(352) Structures and Improvements	3,396,545			
50	(353) Station Equipment	27,243,044			
51	(354) Towers and Fixtures				
52	(355) Poles and Fixtures	599,002			
53	(356) Overhead Conductors and Devices	529,497			
54	(357) Underground Conduit	73,073			
55	(358) Underground Conductors and Devices	799,681			
56	(359) Roads and Trails				
57	(359.1) Asset Retirement Costs for Transmission Plant				
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	33,486,727	1,543		
59	4. DISTRIBUTION PLANT				
60	(360) Land and Land Rights	479,588	308,731		
61	(361) Structures and Improvements	467,412	32,192		
62	(362) Station Equipment	9,305,421	5,821,811		
63	(363) Storage Battery Equipment				
64	(364) Poles, Towers, and Fixtures	17,743,739	1,274,747		
65	(365) Overhead Conductors and Devices	21,135,562	1,343,891		
66	(366) Underground Conduit	30,721,020	1,960,803		
67	(367) Underground Conductors and Devices	57,822,879	5,662,435		
68	(368) Line Transformers	37,865,287	1,660,621		
69	(369) Services	25,708,205	1,430,528		
70	(370) Meters	20,458,135	4,440,931		
71	(371) Installations on Customer Premises	4,070,631	88,825		
72	(372) Leased Property on Customer Premises				
73	(373) Street Lighting and Signal Systems	1,984,634	176,233		
74	(374) Asset Retirement Costs for Distribution Plant		36,564		
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	227,762,513	24,238,312		
76	5. GENERAL PLANT				
77	(389) Land and Land Rights				
78	(390) Structures and Improvements				
79	(391) Office Furniture and Equipment				
80	(392) Transportation Equipment				
81	(393) Stores Equipment				
82	(394) Tools, Shop and Garage Equipment	1,328,006	249,825		
83	(395) Laboratory Equipment	475,489			
84	(396) Power Operated Equipment				
85	(397) Communication Equipment	23,528,504	495,865		
86	(398) Miscellaneous Equipment				
87	SUBTOTAL (Enter Total of lines 77 thru 86)	25,331,999	745,690		
88	(399) Other Tangible Property				
89	(399.1) Asset Retirement Costs for General Plant				
90	TOTAL General Plant (Enter Total of lines 87, 88 and 89)	25,331,999	745,690		
91	TOTAL (Accounts 101 and 106)	520,482,299	28,082,158		
92	(102) Electric Plant Purchased (See Instr. 8)				
93	(Less) (102) Electric Plant Sold (See Instr. 8)				
94	(103) Experimental Plant Unclassified				
95	TOTAL Electric Plant in Service (Enter Total of lines 91 thru 94)	520,482,299	28,082,158		

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
			649,230	44
			71,786,611	45
503,460			236,494,213	46
				47
			847,428	48
7,606			3,388,939	49
137,418			27,105,626	50
				51
			599,002	52
			529,497	53
			73,073	54
			799,681	55
				56
				57
145,024			33,343,246	58
				59
5,373			782,946	60
1,616			497,988	61
88,627			15,038,605	62
				63
281,921			18,736,565	64
407,228			22,072,225	65
58,087			32,623,736	66
733,115			62,752,199	67
7,470			39,518,438	68
90,765			27,047,968	69
			24,899,066	70
53,794			4,105,662	71
				72
40,372			2,120,495	73
			36,564	74
1,768,368			250,232,457	75
				76
				77
				78
				79
				80
				81
56,111			1,521,720	82
			475,489	83
				84
60,227			23,964,142	85
				86
116,338			25,961,351	87
				88
				89
116,338			25,961,351	90
2,533,190			546,031,267	91
				92
				93
				94
2,533,190			546,031,267	95

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ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)					
1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.					
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.					
Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)	
1	Land and Rights:				
2	Various	NA	NA	20,051	
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	Other Property:				
22	None				
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47	Total			20,051	

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	Col. 1 and 2 Diesel Generator - Columbia Energy Center	103,754
2	Col. 1 and 2 Distributed Controls System - Columbia Energy Center	112,406
3	Col. 2 Superheater Replacement - Columbia Energy Center	131,941
4	Turbine No. 7 Rebuild - Blount Station	599,436
5	Upgrade Instrument Air System - Blount Station	141,231
6	Boiler No. 8 Precipitator Pulser Units - Blount Station	347,049
7	Boiler No. 5 Burner Management System - Blount Station	180,813
8	Boiler No. 5 Ignition System - Blount Station	113,990
9	Boiler Nos. 5 and 6 Combustion Controls Upgrade - Blount Station	152,078
10	Boiler No. 9 Controls Upgrade - Blount Station	340,470
11	Generator No. 7 Rotor Rewind - Blount Station	467,913
12	Generator No. 7 Stator Rewind - Blount Station	694,730
13	Upgrade Fitchburg No. 2 Combustion Turbine Controls	418,700
14	Upgrade Fitchburg No. 1 Combustion Turbine Controls	385,452
15	Upgrade Sycamore No. 1 Combustion Turbine Controls	814,070
16	Upgrade Sycamore No. 2 Combustion Turbine Controls	408,570
17	Fitchburg Combustion Turbine Exhaust Silencers	266,871
18	Sycamore Combustion Turbine Exhaust Plenums	147,847
19	Portable Diesel Generator	371,658
20	Rewind Rotor Sycamore No. 1 Combustion Turbine	270,250
21	Rewind Rotor Nine Springs Combustion Turbine	250,870
22	Overhead Rebuild - Fish Hatchery Road	110,303
23	Cable Replacement - Pembroke Drive	198,700
24	Capacitor Stations to Support Transmission Voltage	289,704
25	Duct Package - Pheasant Branch Substation	223,579
26	Conduit and Manhole System - Park Street	220,519
27	Convert Overhead to Underground - Anderson Street	206,610
28	Extend Feeder - Marsh Road	124,880
29	Convert Overhead to Underground - North Pinckney Street	158,479
30	Convert Overhead to Underground - East Johnson Street	247,937
31	Voltage Conversion - Wingra	122,594
32	Voltage Conversion - Glenway South	577,775
33	Voltage Conversion - Kipp South	155,042
34	Voltage Conversion - Olin Avenue	394,084
35	Voltage Conversion - Glenway North	274,797
36	Voltage Conversion - Yahara West	217,698
37	Voltage Conversion - Yahara East	177,000
38	Convert Overhead to Underground - Pleasant View Road	184,268
39	Convert Overhead to Underground - Airport Road	143,519
40	Relocate Poles - Femrite Drive	106,814
41	Feeder Upgrade - Allied Drive	104,667
42	Extend Feeders - Tokay Substation	292,421
43		

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	69/13.8-kV Transformer - Gateway Substation	516,764
2	69/13.8-kV Transformer - Wingra Substation	1,338,786
3	Construct Tokay Substation	2,635,607
4	Replace Breakers - East Campus Substation	350,003
5	Replace Breakers - Blount Substation	226,998
6	Replace Breakers - Sycamore Substation	172,144
7	Projects Under \$100,000	12,680,473
8		
9		
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12		
13		
14		
15		
16		
17		
18		
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42		
43	TOTAL	29,172,264

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	231,821,568	231,821,568		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	15,700,728	15,700,728		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):	590,853	590,853		
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	16,291,581	16,291,581		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	2,527,818	2,527,818		
13	Cost of Removal	746,918	746,918		
14	Salvage (Credit)	385,264	385,264		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	2,889,472	2,889,472		
16	Other Debit or Cr. Items (Describe, details in footnote):	-10,789,722	-10,789,722		
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	234,433,955	234,433,955		

Section B. Balances at End of Year According to Functional Classification

20	Steam Production	103,103,737	103,103,737		
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production	12,157,732	12,157,732		
25	Transmission	15,695,182	15,695,182		
26	Distribution	78,416,696	78,416,696		
27	General	25,060,608	25,060,608		
28	TOTAL (Enter Total of lines 20 thru 27)	234,433,955	234,433,955		

Name of Respondent Madison Gas and Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 8 Column: c
NOx depreciation charged to a deferred credit account.
Schedule Page: 219 Line No.: 16 Column: c

	(DR)	CR
Change in Decommissioning Depreciation	\$	(9,984,666)
Change in retirement work in progress		(668,420)
NOx Depreciation charged to expense		(311,372)
Asset Retirement Cost		174,736
Total	\$	(10,789,722)

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Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
MATERIALS AND SUPPLIES					
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.</p> <p>2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)	5,212,654	5,054,095	Electric	
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)	3,629,758	3,417,167	Electric and Gas	
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)	2,664,988	2,744,523	Electric	
8	Transmission Plant (Estimated)	54,251	88,295	Electric	
9	Distribution Plant (Estimated)	349,056	271,808	Electric and Gas	
10	Assigned to - Other (provide details in footnote)	152,011	19,582	Electric and Gas	
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	6,850,064	6,541,375		
12	Merchandise (Account 155)	230,774	213,142	Electric and Gas	
13	Other Materials and Supplies (Account 156)				
14	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
15	Stores Expense Undistributed (Account 163)	212,178	124,038	Electric and Gas	
16					
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)	12,505,670	11,932,650		

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	Allowances Inventory (Account 158.1) (a)	Current Year		2004	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	7,680.00	853,583		
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)	9,217.00			
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9	Morgan Stanley Capital				
10	Group, Inc.	5,000.00	918,500		
11					
12					
13					
14					
15	Total	5,000.00	918,500		
16					
17	Relinquished During Year:				
18	Charges to Account 509	12,763.00	799,402		
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year	9,134.00	972,681		
30					
31	Sales:				
32	Net Sales Proceeds (Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transfers of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2005		2006		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
						7,680.00	853,583	1
								2
								3
						9,217.00		4
								5
								6
								7
								8
								9
						5,000.00	918,500	10
								11
								12
								13
								14
						5,000.00	918,500	15
								16
								17
						12,763.00	799,402	18
								19
								20
								21
								22
								23
								24
								25
								26
								27
								28
						9,134.00	972,681	29
								30
								31
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								33
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								46

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets which are created through the rate making actions of regulatory agencies (and not includable in other accounts)
2. For regulatory assets being amortized, show period of amortization in column (a)
3. Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than \$50,000, whichever is less) may be grouped by classes.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	CREDITS		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	Bioventing Research Project		182	275,000	
2					
3	Pension Costs Phase-In		186	112,524	409,509
4					
5	Coal Contract Derivative	1,066,764	421	1,335,603	276,875
6					
7	Environmental Cleanup (f)	1,852,266	Various	26,370	1,825,896
8					
9	NOx/Combustion Initiative		254	102,363	
10					
11	DePere Wind Project		549	47,616	47,622
12					
13	Unamortized Debt Expense - 2027A/2034IRB (a)		428	12,122	372,748
14					
15	Unamortized Debt Expense - 2022/2012 (b)		428	50,491	416,550
16					
17	Unamortized Debt Expense - 2022/2032 (c)		428	28,050	792,427
18					
19	Unamortized Debt Expense - 2027B/2012IRB (d)		428	53,845	1,278,832
20					
21	Tax Recovery Related to AFUDC Equity	344,759	Various	244,421	2,740,089
22					
23	American Transmission Co.:				
24	(a) Startup Costs (e)	465,234	186/254	465,234	
25	(b) Wheeling Fees (e)	1,517,812	Various	1,540,924	-23,112
26					
27	Decontamination and Decommissioning	1,104,231	254	258,186	846,045
28					
29	Bond Interest Arbitrage (c)	826,762	427/186	17,166	809,596
30					
31	Asset Retirement Obligation	850,125			850,125
32	(a) Amortized over 32 years				
33	(b) Amortized over 10 years				
34	(c) Amortized over 30 years				
35	(d) Amortized over 25 years				
36	(e) Amortized over 1 year				
37	(f) Amortized over 4 years				
38					
39					
40					
41					
42					
43					
44	TOTAL	8,027,953		4,569,915	10,643,202

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003	
MISCELLANEOUS DEFERRED DEBITS (Account 186)						
1. Report below the particulars (details) called for concerning miscellaneous deferred debits.						
2. For any deferred debit being amortized, show period of amortization in column (a)						
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.						
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS Account Charged (d) Amount (e)		Balance at End of Year (f)
1	Special Billing Projects	4,426,488	31,112,330	Various	20,964,751	14,574,067
2						
3	Decontamination and					
4	Decommissioning	1,140,231		254/182	1,140,231	
5						
6	Bond Interest Arbitrage (d)	843,928	2,861	427/182	846,789	
7						
8	Cash Surrender Value of					
9	Officers' Life Ins. Policies	223,250		426	96,119	127,131
10						
11	Economic Develop. Incentive (c)	130,000		421	20,000	110,000
12						
13	University Research Park (e)	592,500		426	53,333	539,167
14						
15	Nonqualified Deferred Comp.	5,539,816		254	183,148	5,356,668
16						
17	American Transmission Co.:					
18	1. Start-Up Costs	524,979	53,923	254/182	578,902	
19	2. Wheeling Fees	3,127,380	1,054,753	Various	4,182,133	
20						
21	Environmental Cleanup	492,339	2,799	Various	495,138	
22						
23	Tax Audit Settlements (b)	81,299		254	40,644	40,655
24						
25	Wisconsin Dept. of Rev.		11,156			11,156
26						
27	Restricted Stock Award (f)	82,757		926	49,654	33,103
28						
29	Shared Savings Int. Rate Diff.	208,000	149,410	456/495	89,560	267,850
30	Gas Supply Derivative	382,865	731,898			1,114,763
31	Vendor Sales Tax Adjustment	43,984				43,984
32						
33	(a) Amortized over 10 years					
34	(b) Amortized over 24 months					
35	(c) Amortized over 15 years					
36	(d) Amortized over 30 years					
37	(e) Amortized over 48 months					
38	(f) Amortized over 36 months					
39						
40						
41						
42						
43						
44						
45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	17,839,816				22,218,544

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
 2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2	SFAS 109 Deferred Tax Account	4,282,452	3,784,835
3	Deferred Compensation	1,887,249	2,083,907
4	Vacation Pay	803,130	881,324
5	SFAS 106 Costs	1,903,066	2,541,215
6	Bad Debts	387,829	432,547
7	Other	5,542,379	2,948,725
8	TOTAL Electric (Enter Total of lines 2 thru 7)	14,806,105	12,672,553
9	Gas		
10	Deferred Compensation	1,111,724	1,217,614
11	Vacation Pay	460,845	509,935
12	SFAS 106 Costs	1,024,721	1,368,339
13	Stored Gas	36,187	37,983
14	Bad Debts	670,368	649,487
15	Other	4,621,855	2,911,618
16	TOTAL Gas (Enter Total of lines 10 thru 15)	7,925,700	6,694,976
17	Other (Specify)	2,681,601	2,663,699
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	25,413,406	22,031,228

Notes

Name of Respondent	This Report is:	Date of Report	Year of Report
Madison Gas and Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 234 Line No.: 7 Column: a

Line 7 - Other	Col. (b)	Col. (C)
SFAS 112 Costs.....	\$ 64,694	\$ 64,694
Sulfur Dioxide Emission Allowance.....	25,180	-
Patronage Dividends.....	4,348	2,448
Service Territory Disputes.....	17,508	17,508
Conservation Escrow.....	179,347	97,144
Preferred Stock Redemption.....	40,907	40,907
Capital Stock Expenses.....	45,135	45,135
Restricted Stock.....	23,062	36,418
Tax Settlements.....	75,606	75,606
Refuse Hideaway.....	40,135	441,485
NOx Escrow.....	667,008	507,189
Holding Company Formation Costs.....	14,124	-
Nonqualified Deferred Compensation Plan..	4,044,011	1,454,533
Accrued Payment to Retirees.....	118,699	-
Accrued Lawsuit Liabilities.....	182,615	165,658
Total.....	\$5,542,379	\$2,948,725

Schedule Page: 234 Line No.: 15 Column: a

Line 15 - Other	Col. (b)	Col. (C)
SFAS 112 Costs.....	\$ 34,837	\$ 34,837
Patronage Dividends.....	2,900	1,632
Service Territory Disputes.....	9,428	9,428
Conservation Escrow.....	(239,720)	(285,557)
Preferred Stock Redemption.....	22,026	22,026
Capital Stock Expenses.....	24,304	24,304
Restricted Stock.....	11,357	17,933
Tax Settlements.....	37,238	37,238
Holding Company Formation Costs.....	7,947	-
Nonqualified Deferred Compensation Plan..	2,274,756	818,175
SFAS 109 Deferred Tax Account.....	2,274,537	2,142,403
Accrued Payment to Retirees.....	63,915	-
Accrued Lawsuit Liabilities.....	98,330	89,199
Total.....	\$4,621,855	\$2,911,618

Schedule Page: 234 Line No.: 17 Column: a

Line 17 - Other	Col. (b)	Col. (C)
Bad Debts.....	\$ 4,684	\$ 5,240
Deferred Charges - Interest Expense.....	192,541	184,873
Accrued Donation.....	382,887	702,362
State Tax Operating Loss Carryovers.....	468,686	444,950
Valuation Allowance Related to State Tax Operating Loss Carryovers...	(368,349)	(368,092)
Investment in ATC.....	1,428,529	1,320,541
SFAS 133 Costs.....	165,154	59,581
Dynegy Contract.....	53,868	51,543
Tax Settlements.....	353,601	262,701
Total.....	\$2,681,601	\$2,663,699

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	Common Stock	50,000,000	1.00	
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
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Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.
- Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
17,347,889	17,347,889					1
						2
						3
						4
						5
						6
						7
						8
						9
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Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

- (a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.
 (b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
 (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
 (d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	Account 209, Reduction in Par or Stated Value of Capital Stock -	
2	Class: Common Stock	
3	Reduction in Par Value from \$8 per share to \$1 per share	112,558,026
4		
5	Account 211, Miscellaneous Paid-In Capital -	
6	Capital infusion from parent company, MGE Energy, Inc.	24,103,449
7		
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40	TOTAL	136,661,475

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	ACCOUNT 221, FIRST MORTGAGE BONDS:		
2	7.70%, 2028 Series	25,000,000	1,437,652
3			348,746 D
4	SUBTOTAL	25,000,000	1,786,398
5			
6	ACCOUNT 224, OTHER LONG-TERM DEBT:		
7	6.12% Medium Term Notes (PSCW Docket 3270-SB-125 dated 8/14/03)	20,000,000	1,097,749
8	6.91%, Interest Rate Swap Agreement	5,000,000	
9	6.02%, Medium Term Notes	30,000,000	410,422
10	Variable %, Medium Term Notes	20,000,000	111,944
11	7.49%, Medium Term Notes	15,000,000	108,046
12	5.875%, Unsecured Notes, Industrial Revenue Bonds	28,000,000	936,616
13			653,895 D
14	4.875%, Unsecured Notes, Industrial Revenue Bonds	19,300,000	653,705
15			190,883 D
16	6.58%, Medium Term Notes	15,000,000	784,963
17			101,885 D
18	7.12%, Medium Term Notes	25,000,000	1,324,756
19			169,809 D
20	5.26%, Unsecured Notes	20,000,000	136,499
21			
22	Variable %, Medium Term Notes	15,000,000	55,292
23			
24	5.68%, Secured Notes	30,000,000	316,474
25	(MGE Power West Campus Debt - See Notes 2 and 4)		
26			
27	SUBTOTAL	242,300,000	7,052,938
28			
29			
30			
31			
32			
33	TOTAL	267,300,000	8,839,336

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
02-15-93	02-15-28	01-01-95	02-15-28	1,200,000	1,235,850	2
						3
				1,200,000	1,235,850	4
						5
						6
09-09-03	02-15-28	11-01-03	02-15-28	20,000,000	399,998	7
06-10-97	06-10-04			5,000,000	350,299	8
09-14-98	09-15-08	01-01-99	09-15-08	30,000,000	1,806,000	9
05-04-00	05-03-02	09-01-00	05-03-02			10
09-20-00	09-20-07	03-01-01	09-20-07	15,000,000	1,123,500	11
04-27-02	10-01-34	05-01-02	10-01-34	28,000,000	1,679,332	12
						13
04-27-02	10-01-12	05-01-02	10-01-27	19,300,000	940,875	14
						15
04-01-02	04-01-12	05-01-02	04-01-12	15,000,000	987,000	16
						17
04-01-02	04-01-32	05-01-02	04-01-32	25,000,000	1,780,000	18
						19
10-01-02	10-01-17	01-01-03	10-01-17	20,000,000	1,052,000	20
						21
11-27-02	11-26-04	01-01-03	11-26-04	15,000,000	202,659	22
						23
09-30-03	09-25-03	11-01-03	09-30-03	30,000,000		24
						25
						26
				222,300,000	10,321,663	27
						28
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				223,500,000	11,557,513	33

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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	30,328,591
2		
3		
4	Taxable Income Not Reported on Books	
5		
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10	Current federal income tax accrual, net of investment tax	
11	credit restored and renewable electricity production credit	8,232,151
12	Nondeductible expenses	21,667,683
13		
14	Income Recorded on Books Not Included in Return	
15		
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20	Additional deductions deferred on books	16,356,963
21	Depreciation differences	17,787,180
22		
23		
24		
25		
26		
27	Federal Tax Net Income	26,084,282
28	Show Computation of Tax:	
29	Tax at 35%	9,129,499
30	Investment tax credit restored	-515,244
31	Renewable electricity production credit	-382,104
32	Total	8,232,151
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.)
Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Federal Taxes:					
2	- Income		1,941,171	8,911,142	13,600,000	2,932,440
3	- Unemployment		26	61,602	61,404	
4	- FICA	52		3,495,430	3,495,745	
5						
6	SUBTOTAL	52	1,941,197	12,468,174	17,157,149	2,932,440
7						
8	State Taxes (Wisconsin					
9	otherwise noted):					
10	- Income		91,570	3,230,073	4,500,000	395
11	- Unemployment		44	15,761	15,759	
12	- Remainder Assessment		293,058	398,473	401,173	
13	- License Fee		8,582,713	8,400,912	9,059,195	
14	- Fuel Tax	217		834	789	
15						
16						
17	SUBTOTAL	217	8,967,385	12,046,053	13,976,916	-395
18						
19	Local Taxes:					
20	- Real Estate Taxes	46,338		53,236	46,338	
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
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41	TOTAL	46,607	10,908,582	24,567,463	31,180,403	2,932,045

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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
	3,697,589	4,068,962			4,842,180	2
172		41,505			20,097	3
	263	1,822,504			1,672,926	4
						5
172	3,697,852	5,932,971			6,535,203	6
						7
						8
						9
	1,361,892	1,882,055			1,348,018	10
	42	10,329			5,432	11
	295,758	242,424			156,049	12
	9,240,996	7,173,132			1,227,780	13
262					834	14
						15
						16
262	10,898,688	9,307,940			2,738,113	17
						18
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53,236					53,236	20
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53,670	14,596,540	15,240,911			9,326,552	41

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FOOTNOTE DATA			

Schedule Page: 262 Line No.: 2 Column: f

Transfer of related entities' balances.....	\$ (226,159)
Prior year tax refunded.....	3,158,599
Total	\$2,932,440

Schedule Page: 262 Line No.: 2 Column: l

A/C 190....	\$ (11,095)
A/C 282....	857,921
A/C 283....	(683,079)
A/C 409....	4,678,433
Total	\$4,842,180

Schedule Page: 262 Line No.: 3 Column: l

A/C 107....	\$ 5,857
A/C 184....	2,356
A/C 408....	11,884
Total	\$ 20,097

Schedule Page: 262 Line No.: 4 Column: l

A/C 107....	\$ 401,888
A/C 184....	364,085
A/C 408....	906,953
Total	\$1,672,926

Schedule Page: 262 Line No.: 10 Column: c

Wisconsin.....	\$95,327
Michigan.....	(3,757)
Total	\$91,570

Schedule Page: 262 Line No.: 10 Column: f

Transfer of related entities' balances....	\$(395)
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Schedule Page: 262 Line No.: 10 Column: h

Wisconsin....	\$1,365,649
Michigan....	(3,757)
Total	\$1,361,892

Schedule Page: 262 Line No.: 10 Column: l

A/C 190....	\$ (2,719)
A/C 282....	210,256
A/C 283....	(167,406)
A/C 409....	1,307,887
Total	\$1,348,018

Schedule Page: 262 Line No.: 11 Column: l

A/C 107....	\$ 1,504
A/C 184....	644
A/C 408....	3,284
Total	\$ 5,432

Schedule Page: 262 Line No.: 12 Column: l

A/C 408....	\$156,049
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Schedule Page: 262 Line No.: 13 Column: l

A/C 408....	\$1,227,780
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Schedule Page: 262 Line No.: 14 Column: l

A/C 142....	\$ 834
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Schedule Page: 262 Line No.: 20 Column: l

A/C 408....	\$ 53,236
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%		NA		NA		
3	4%	612,339	NA		411.1	35,302	
4	7%		NA		NA		
5	10%	2,695,571	NA		411.1	315,038	
6							
7							
8	TOTAL	3,307,910				350,340	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10	Gas Utility						
11	4%	158,394	NA		411.2	17,998	
12	10%	1,940,098	NA		411.2	146,906	
13							
14	TOTAL	2,098,492				164,904	
15							
16							
17	Grand	5,406,402				515,244	
18							
19							
20							
21							
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
	NA		2
577,037	25 years		3
	NA		4
2,380,533	25 years		5
			6
			7
2,957,570			8
			9
			10
140,396	30 years		11
1,793,192	30 years		12
			13
1,933,588			14
			15
			16
4,891,158			17
			18
			19
			20
			21
			22
			23
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Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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OTHER DEFERRED CREDITS (Account 253)

- Report below the particulars (details) called for concerning other deferred credits.
- For any deferred credit being amortized, show the period of amortization.
- Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Conservation Escrow Accounts	-150,440	Various	5,940,660	5,621,624	-469,476
2						
3	Postretirement Benefits - SFAS 106	11,034,825	131	2,278,664	6,333,129	15,089,290
4						
5	Postretirement Benefits - SFAS 112	248,000				248,000
6						
7	Nonqualified Deferred					
8	Compensation Plan	6,749,558	134	4,477,219	1,319,403	3,591,742
9						
10	Supplemental Retirement Benefits	722,650	131	123,636	104,609	703,623
11						
12	Environmental Clean-Up	100,000			1,000,000	1,100,000
13						
14	Derivative Instruments and					
15	Hedging Activities - SFAS 133	445,990	421	1,493,862	1,707,612	659,740
16						
17	MGE Foundation	703,997	242	703,997		
18						
19	Purchased Gas Reclassification	1,364,779	184	1,364,779		
20						
21	Miscellaneous	11,877	131	4,652	3,628	10,853
22						
23	MGE Power West Campus				250,000	250,000
24						
25	Additional Minimum Liability -					
26	Pension Plan	21,283,598		10,264,274		11,019,324
27						
28						
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39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	42,514,834		26,651,743	16,340,005	32,203,096

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
Madison Gas and Electric Company			
FOOTNOTE DATA			

Schedule Page: 269 Line No.: 8 Column: b

Prior year's schedule includes Additional Minimum Liability - Pension Plan under the Nonqualified Deferred Compensation Plan classification.

Schedule Page: 269 Line No.: 26 Column: b

Prior year's schedule includes Additional Minimum Liability - Pension Plan under the Nonqualified Deferred Compensation Plan classification.

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	48,389,713	6,284,331	43,344
3	Gas	18,590,356	1,119,409	28,896
4				
5	TOTAL (Enter Total of lines 2 thru 4)	66,980,069	7,403,740	72,240
6	Nonutility Leased Property	-20,471		
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	66,959,598	7,403,740	72,240
10	Classification of TOTAL			
11	Federal Income Tax	60,209,898	6,416,395	58,020
12	State Income Tax	6,749,700	987,345	14,220
13	Local Income Tax			

NOTES

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
		236	777,846	182	103,000	53,955,854	2
		236	302,495	182	68,667	19,447,041	3
							4
			1,080,341		171,667	73,402,895	5
				236	12,164	-8,307	6
							7
							8
			1,080,341		183,831	73,394,588	9
							10
			867,691		147,647	65,848,229	11
			212,650		36,184	7,546,359	12
							13

NOTES (Continued)

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Account 283				
2	Electric				
3	Preliminary Survey				
4	Deductible Prepayments		3,633,946		
5	Sulfur Dioxide Conversions	31,522	14,425	23,107	
6	Blount Bioventing	76,178	75,590	1,009	
7	Pension	1,874,722	752,022	1,459,653	
8	Other	2,607,227	597,021	1,482,189	
9	TOTAL Electric (Total of lines 3 thru 8)	4,589,649	5,073,004	2,965,958	
10	Gas				
11	Deductible Prepayments		641,285		
12	Tax Settlements	5,222			
13	Shared Savings	33,393	11,830	2,221	
14	Pension	923,370	370,399	718,934	
15	AFUDC-Equity	423,786			
16	Other				
17	TOTAL Gas (Total of lines 11 thru 16)	1,385,771	1,023,514	721,155	
18	Other	14,928,757	532,070	494,136	
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	20,904,177	6,628,588	4,181,249	
20	Classification of TOTAL				
21	Federal Income Tax	17,598,775	5,323,841	3,358,246	
22	State Income Tax	3,305,402	1,304,747	823,003	
23	Local Income Tax				

NOTES

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
				236	7,310	7,310	3
						3,633,946	4
						22,840	5
						150,759	6
						1,167,091	7
		236	49,000	182/236	235,775	1,908,834	8
			49,000		243,085	6,890,780	9
							10
						641,285	11
						5,222	12
						43,002	13
						574,835	14
				182	16,107	439,893	15
				236	24,184	24,184	16
					40,291	1,728,421	17
				236	656,380	15,623,071	18
			49,000		939,756	24,242,272	19
							20
			39,355		754,778	20,279,793	21
			9,645		184,978	3,962,479	22
							23

NOTES (Continued)

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Name of Respondent Madison Gas and Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 276 Line No.: 8 Column: a

	Col. (b)	Col. (c)	Col. (d)	Col. (h)	Col. (j)	Col. (k)
LINE 8 - OTHER:						
AFUDC-Equity.....	\$ 635,678	\$ 0	\$ 0	\$ 0	\$ 24,164	\$ 659,842
Refuse Hideaway Legal Fees.....	189,479	404,769	12,184	0	0	582,064
ATC Deferred Charges...	1,218,000	7,038	1,244,626	49,000	0	(68,588)
DOE Payment.....	247,333	113,186	0	0	0	360,519
DePere Wind Project....	0	0	19,109	0	38,224	19,115
DOE D&D Assessment.....	216,281	(9,233)	102,161	0	0	104,887
Tax Settlements.....	9,285	3,822	0	0	0	13,107
Shared Savings.....	50,088	12,060	(2,353)	0	0	64,501
Software Development...	0	0	0	0	41,787	41,787
Columbia Sec 174 Costs.	0	0	0	0	131,600	131,600
Clean Combustion.....	41,083	65,379	106,462	0	0	0
Total	\$2,607,227	\$597,021	\$1,482,189	\$49,000	\$235,775	\$1,908,834

Schedule Page: 276 Line No.: 8 Column: i

A/C 182 \$ 24,164
A/C 236 211,611
Total \$235,775

Schedule Page: 276 Line No.: 16 Column: a

	Col. (b)	Col. (c)	Col. (d)	Col. (h)	Col. (j)	Col. (k)
LINE 16 - OTHER:						
Preliminary Survey.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,601	\$ 3,601
Software Development...	0	0	0	0	20,583	20,583
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$24,184	\$ 24,184

Schedule Page: 276 Line No.: 18 Column: a

	Col. (b)	Col. (c)	Col. (d)	Col. (h)	Col. (j)	Col. (k)
LINE 18 - OTHER:						
Bond transactions.....	\$2,829,116	\$ 355,912	\$159,313	\$ 0	\$ 0	\$ 3,025,715
FAS 133 - Reg Asset....	219,022	37,624	145,519	0	0	111,127
Viroqua acquisition adjustment.....	(86,451)	15,516	0	0	0	(70,935)
Weather Insurance.....	0	100,835	0	0	0	100,835
ATC Deferred Charges...	118,751	29,688	165,088	0	0	(16,649)
ATC Deferred Property..	11,621,189	0	0	0	646,016	12,267,205
Venture Investors III..	16,101	0	0	0	10,364	26,465
Innovation Center.....	175,254	0	16,056	0	0	159,198
Tax settlements.....	35,775	(7,505)	8,160	0	0	20,110
Total	\$14,928,757	\$ 532,070	\$494,136	\$ 0	\$656,380	\$15,623,071

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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OTHER REGULATORY LIABILITIES (Account 254)

1. Reporting below the particulars (Details) called for concerning other regulatory liabilities which are created through the rate-making actions of regulatory agencies (and not includable in other amounts)
2. For regulatory Liabilities being amortized show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$50,000, whichever is Less) may be grouped by classes.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance at End of Year (e)
		Account Credited (b)	Amount (c)		
1	Income Tax Benefits - SFAS 109	124/190/411	1,053,844		9,877,103
2	EPA Emission Allowance Auction Proceeds	509	62,748	24,235	110,449
3					
4	Decommissioning and Decontamination	186	294,186		846,045
5					
6	Internal Revenue Service Interest	419	226,500		226,509
7					
8	Wisconsin Dept. of Revenue Income				
9	Tax Refund and Interest				750,430
10					
11	NOx Escrow		2,970,963	1,981,910	6,510
12					
13	Vendor Settlement (a)	456	518,020	453,168	1,376,653
14					
15	Derivative Instruments and Hedging Activities -				
16	SFAS 133			249,309	731,898
17					
18	Estimated Fuel Cost Credit	456	836,416	3,598,856	2,762,440
19					
20	Escrow ATC/MISO	186	25,883,907	25,520,963	-362,944
21					
22	Wind Energy Refund Estimate			4,346	4,346
23					
24	(a) Amortized over 24 months				
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41	TOTAL		31,846,584	31,832,787	16,329,439

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
Madison Gas and Electric Company			
FOOTNOTE DATA			

Schedule Page: 278 Line No.: 11 Column: b
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Account 108	\$ 590,855
Account 186	\$ 627,852
Account 403	\$ 303,178
Account 182	\$ 102,363
Account 506	<u>\$1,346,715</u>
	\$2,970,963

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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ELECTRIC OPERATING REVENUES (Account 400)

- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous year (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	85,163,804	81,257,710
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	119,584,411	108,842,262
5	Large (or Ind.) (See Instr. 4)	14,554,693	12,948,851
6	(444) Public Street and Highway Lighting	950,021	869,290
7	(445) Other Sales to Public Authorities	17,025,530	15,715,562
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales	518,556	465,907
10	TOTAL Sales to Ultimate Consumers	237,797,015	220,099,582
11	(447) Sales for Resale	5,184,239	2,659,396
12	TOTAL Sales of Electricity	242,981,254	222,758,978
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	242,981,254	222,758,978
15	Other Operating Revenues		
16	(450) Forfeited Discounts	428,164	372,316
17	(451) Miscellaneous Service Revenues	13,206	-1,538
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	584,963	679,934
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	1,743,897	1,643,637
22			
23			
24			
25			
26	TOTAL Other Operating Revenues	-717,564	2,694,349
27	TOTAL Electric Operating Revenues	242,263,690	225,453,327

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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ELECTRIC OPERATING REVENUES (Account 400)

4. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
5. See pages 108-109, Important Changes During Year, for important new territory added and important rate increase or decreases.
6. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
7. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
800,535	839,005	114,590	112,130	2
				3
1,651,578	1,640,190	17,513	17,256	4
299,449	296,220	64	68	5
8,711	8,565	76	72	6
315,478	314,815	2	2	7
				8
5,616	5,589	1	1	9
3,081,367	3,104,384	132,246	129,529	10
106,569	59,616	9	7	11
3,187,936	3,164,000	132,255	129,536	12
				13
3,187,936	3,164,000	132,255	129,536	14

Line 12, column (b) includes \$ 1,930,472 of unbilled revenues.

Line 12, column (d) includes 32,635 MWH relating to unbilled revenues

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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
Madison Gas and Electric Company			
FOOTNOTE DATA			

Schedule Page: 300 Line No.: 2 Column: g

Includes 112 residential water heater customers who are counted twice.

Schedule Page: 300 Line No.: 19 Column: b

RENT FROM ELECTRIC PROPERTY (454)

Land Rentals	\$ 98,205
Building Rentals	1,836
Contact and Conduit Rentals	457,869
Equipment Rental	21,727
Miscellaneous	5,326
TOTAL	\$584,963

Schedule Page: 300 Line No.: 21 Column: b

OTHER ELECTRIC REVENUES (456)

Transmission of Electricity for Others	\$ 131,982
Vendor Settlement	471,134
Shared Savings Program	366,469
Discount on State Sales Tax	38,068
MGE Foundation	8,722
Fuel Cost Credit	(2,762,440)
Miscellaneous	2,168
TOTAL	\$ (1,743,897)

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	RESIDENTIAL					
2	Lighting (Rg-1)	792,784	84,446,778	113,993	6,955	0.1065
3	Time-of-Use (Rg-2)	7,210	666,028	345	20,899	0.0924
4	Lifeline Lighting (Rg-3)	234	20,017	47	4,979	0.0855
5	Overhead Ltg. (unmetered) OL-1	64	14,229	93	688	0.2223
6	Off-Peak Water Heating (Rw-1)	243	16,752	112	2,170	0.0689
7	Total Residential	800,535	85,163,804	114,590	6,986	0.1064
8						
9	COMMERCIAL AND INDUSTRIAL					
10	Lighting and Power (Cg-1)	544,266	42,898,543	3,003	181,241	0.0788
11	Ltg. and Power Time-of-Use (Cg-2)	836,105	52,952,044	374	2,235,575	0.0633
12	Small C&I Opt. Time-of-Use (Cg-3)	5,522	479,358	196	28,173	0.0868
13	Large C&I Opt. Time-of-Use (Cg-4)	42,035	2,856,217	135	311,370	0.0679
14	Lighting and Power (Cg-5)	209,540	20,332,951	12,901	16,242	0.0970
15	Lighting and Power (Cg-6)	154,628	8,075,440	13	11,894,462	0.0522
16	Amplifiers (Gf-1)	3,587	280,929	2	1,793,500	0.0783
17	Special (Sp-4)	60,826	3,261,208	1	60,826,000	0.0536
18	Telephone Booths (Gf-1)	8	708	1	8,000	0.0885
19	Overhead Lighting (OL-1)	1,821	355,869	938	1,941	0.1954
20	Parallel Generation (Pg-2)	36	2,484	2	18,000	0.0690
21	HLF Direct Control Inter. (Cp-1)	92,608	2,638,749	1	92,608,000	0.0285
22	Interruptible Srvc Rider (CS-1)	44	4,604	10	4,400	0.1046
23	Total Commercial and Industrial	1,951,026	134,139,104	17,577	110,999	0.0688
24	PUBLIC STREET AND HIGHWAY					
25	Highway Ltd. (metered) (Cg-5)	18	1,883	3	6,000	0.1046
26	Blvd. Ltg. (unmetered) (SL-1,2,3	8,154	898,665	54	151,000	0.1102
27	Athletic Field Ltg. (MLS)	539	49,473	19	28,368	0.0918
28	Total Public Street & Hwy. Ltg.	8,711	950,021	76	114,618	0.1091
29						
30	OTHER PUBLIC AUTHORITIES					
31	Capitol Heating Plant (Sp-5)	1,337	193,576	1	1,337,000	0.1448
32	University of Wisconsin (Sp-3)	314,141	16,830,755	1	314,141,000	0.0536
33	Defense Sirens (Mg-2)		1,199			
34	Total Other Public Authorities	315,478	17,025,530	2	157,739,000	0.0540
35						
36	Interdepartmental Sales	5,617	518,556	1	5,617,000	0.0923
37						
38						
39						
40						
41	TOTAL Billed	3,048,732	235,866,543	132,246	23,053	0.0774
42	Total Unbilled Rev.(See Instr. 6)	32,635	1,930,472	0	0	0.0592
43	TOTAL	3,081,367	237,797,015	132,246	23,300	0.0772

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year of Report
Madison Gas and Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 304 Line No.: 7 Column: d

Includes 112 water heating customers who are served on the Rg-1 rate schedule as well.

Schedule Page: 304 Line No.: 38 Column: a

Unbilled revenues are reported by rate schedule.

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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SALES FOR RESALE (Account 447)

- Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
- Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	RQ Sales - None					
2						
3	Non-RQ Sales:					
4						
5	WE Energies	OS	FERC No. 14			
6	WE Energies	OS	FERC No. 14			
7						
8	Wisconsin Public Service Corp.	OS	FERC No. 12			
9						
10						
11						
12	Alliant Energy - Wis. Power & Light Co.	OS	FERC No. 7			
13	Alliant Energy - Wis. Power & Light Co.	SF	FERC No. 7			
14	Alliant Energy - Wis. Power & Light Co.	OS	FERC No. 7			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts.

Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
					1
					2
					3
					4
5		500		500	5
14,625		487,196		487,196	6
					7
7,996		377,509		377,509	8
					9
					10
					11
8		800		800	12
29,085	583,000	1,564,070		2,147,070	13
10,705		585,046		585,046	14
0	0	0	0	0	
106,569	583,000	4,601,239	0	5,184,239	
106,569	583,000	4,601,239	0	5,184,239	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Madison Gas and Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	Dec. 31, 2003

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.

SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.

LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.

Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations)	Statistical Classification	FERC Rate Schedule or Tariff Number	Average Monthly Billing Demand (MW)	Actual Demand (MW)	
					Average Monthly NCP Demand	Average Monthly CP Demand
	(a)	(b)	(c)	(d)	(e)	(f)
1	Wisconsin Public Power Inc.	OS	FERC. No. 13			
2						
3	Exelon Corp.	OS	Orig. Vol. 2			
4	Exelon Corp.	OS	Orig. Vol. 2			
5						
6	Illinois Power	OS	Orig. Vol. 2			
7						
8	Otter Tail Power Co.	OS	FERC No. 19			
9						
10	Xcel Energy	OS	Orig. Vol. 4			
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
4,180		146,506		146,506	1
					2
1,534		55,142		55,142	3
31		3,450		3,450	4
					5
15		1,500		1,500	6
					7
1,834		51,432		51,432	8
					9
100		4,380		4,380	10
					11
					12
					13
					14
0	0	0	0	0	
106,569	583,000	4,601,239	0	5,184,239	
106,569	583,000	4,601,239	0	5,184,239	

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts.

Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
800		32,800		32,800	1
2,605		82,675		82,675	2
					3
5,580		135,457		135,457	4
					5
15		1,500		1,500	6
					7
209		6,350		6,350	8
					9
					10
					11
					12
					13
					14
0	0	0	0	0	
106,569	583,000	4,601,239	0	5,184,239	
106,569	583,000	4,601,239	0	5,184,239	

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts.

Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
396		19,741		19,741	1
					2
					3
					4
					5
					6
643		17,222		17,222	7
					8
26,203		1,027,963		1,027,963	9
					10
					11
					12
					13
					14
0	0	0	0	0	
106,569	583,000	4,601,239	0	5,184,239	
106,569	583,000	4,601,239	0	5,184,239	

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Name of Respondent Madison Gas and Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 310	Line No.: 5	Column: b
General purpose energy		
Schedule Page: 310	Line No.: 8	Column: b
General purpose energy		
Schedule Page: 310	Line No.: 12	Column: b
Emergency energy		
Schedule Page: 310	Line No.: 13	Column: b
01/01/2003 - 08/31/2003		
Schedule Page: 310	Line No.: 14	Column: b
General purpose energy		
Schedule Page: 310.1	Line No.: 1	Column: b
General purpose energy		
Schedule Page: 310.1	Line No.: 3	Column: b
Transaction to third party from resource outside control area		
Schedule Page: 310.1	Line No.: 4	Column: b
Emergency energy		
Schedule Page: 310.1	Line No.: 6	Column: b
Emergency energy		
Schedule Page: 310.1	Line No.: 8	Column: b
General purpose energy		
Schedule Page: 310.1	Line No.: 10	Column: b
General purpose energy		
Schedule Page: 310.2	Line No.: 1	Column: b
Transaction to third party from resource outside control area		
Schedule Page: 310.2	Line No.: 2	Column: b
General purpose energy		
Schedule Page: 310.2	Line No.: 4	Column: b
General purpose energy		
Schedule Page: 310.2	Line No.: 6	Column: b
Emergency energy		
Schedule Page: 310.2	Line No.: 8	Column: b
General purpose energy		
Schedule Page: 310.3	Line No.: 1	Column: b
Transaction to third party from resource outside control area		
Schedule Page: 310.3	Line No.: 7	Column: b
General purpose energy		
Schedule Page: 310.3	Line No.: 9	Column: b
General purpose energy		

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
ELECTRIC OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	(500) Operation Supervision and Engineering	184,091	340,101	
5	(501) Fuel	35,518,511	32,755,543	
6	(502) Steam Expenses	2,572,440	2,356,758	
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred-Cr.			
9	(505) Electric Expenses	1,591,661	1,454,572	
10	(506) Miscellaneous Steam Power Expenses	5,220,396	4,662,574	
11	(507) Rents			
12	(509) Allowances	736,655	743,091	
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	45,823,754	42,312,639	
14	Maintenance			
15	(510) Maintenance Supervision and Engineering	203,930	340,605	
16	(511) Maintenance of Structures	375,099	373,304	
17	(512) Maintenance of Boiler Plant	4,811,145	3,381,748	
18	(513) Maintenance of Electric Plant	863,606	719,853	
19	(514) Maintenance of Miscellaneous Steam Plant	529,831	636,846	
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	6,783,611	5,452,356	
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	52,607,365	47,764,995	
22	B. Nuclear Power Generation			
23	Operation			
24	(517) Operation Supervision and Engineering			
25	(518) Fuel	277,551	272,386	
26	(519) Coolants and Water			
27	(520) Steam Expenses			
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred-Cr.			
30	(523) Electric Expenses			
31	(524) Miscellaneous Nuclear Power Expenses			
32	(525) Rents			
33	TOTAL Operation (Enter Total of lines 24 thru 32)	277,551	272,386	
34	Maintenance			
35	(528) Maintenance Supervision and Engineering			
36	(529) Maintenance of Structures			
37	(530) Maintenance of Reactor Plant Equipment			
38	(531) Maintenance of Electric Plant			
39	(532) Maintenance of Miscellaneous Nuclear Plant			
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)			
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)	277,551	272,386	
42	C. Hydraulic Power Generation			
43	Operation			
44	(535) Operation Supervision and Engineering			
45	(536) Water for Power			
46	(537) Hydraulic Expenses			
47	(538) Electric Expenses			
48	(539) Miscellaneous Hydraulic Power Generation Expenses			
49	(540) Rents			
50	TOTAL Operation (Enter Total of Lines 44 thru 49)			

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
51	C. Hydraulic Power Generation (Continued)				
52	Maintenance				
53	(541) Maintenance Supervision and Engineering				
54	(542) Maintenance of Structures				
55	(543) Maintenance of Reservoirs, Dams, and Waterways				
56	(544) Maintenance of Electric Plant				
57	(545) Maintenance of Miscellaneous Hydraulic Plant				
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)				
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)				
60	D. Other Power Generation				
61	Operation				
62	(546) Operation Supervision and Engineering	32,126	30,344		
63	(547) Fuel	5,023,799	4,438,634		
64	(548) Generation Expenses	226,162	165,892		
65	(549) Miscellaneous Other Power Generation Expenses	387,517	334,549		
66	(550) Rents	605,313	619,996		
67	TOTAL Operation (Enter Total of lines 62 thru 66)	6,274,917	5,589,415		
68	Maintenance				
69	(551) Maintenance Supervision and Engineering	24,639	33,444		
70	(552) Maintenance of Structures	23,072	21,693		
71	(553) Maintenance of Generating and Electric Plant	782,465	779,902		
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	43,879	29,030		
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	874,055	864,069		
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	7,148,972	6,453,484		
75	E. Other Power Supply Expenses				
76	(555) Purchased Power	49,521,152	44,607,297		
77	(556) System Control and Load Dispatching	619,383	695,761		
78	(557) Other Expenses	371,665	513,008		
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	50,512,200	45,816,066		
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	110,546,088	100,306,931		
81	2. TRANSMISSION EXPENSES				
82	Operation				
83	(560) Operation Supervision and Engineering				
84	(561) Load Dispatching				
85	(562) Station Expenses				
86	(563) Overhead Lines Expenses				
87	(564) Underground Lines Expenses				
88	(565) Transmission of Electricity by Others	16,951,176	10,293,227		
89	(566) Miscellaneous Transmission Expenses				
90	(567) Rents				
91	TOTAL Operation (Enter Total of lines 83 thru 90)	16,951,176	10,293,227		
92	Maintenance				
93	(568) Maintenance Supervision and Engineering				
94	(569) Maintenance of Structures				
95	(570) Maintenance of Station Equipment	12,973	56,160		
96	(571) Maintenance of Overhead Lines				
97	(572) Maintenance of Underground Lines				
98	(573) Maintenance of Miscellaneous Transmission Plant				
99	TOTAL Maintenance (Enter Total of lines 93 thru 98)	12,973	56,160		
100	TOTAL Transmission Expenses (Enter Total of lines 91 and 99)	16,964,149	10,349,387		
101	3. DISTRIBUTION EXPENSES				
102	Operation				
103	(580) Operation Supervision and Engineering	893,316	812,050		

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
104	3. DISTRIBUTION Expenses (Continued)				
105	(581) Load Dispatching	108,989	136,057		
106	(582) Station Expenses	926,826	784,956		
107	(583) Overhead Line Expenses	246,298	285,253		
108	(584) Underground Line Expenses	200,016	265,336		
109	(585) Street Lighting and Signal System Expenses	7,516	62,325		
110	(586) Meter Expenses	902,860	887,089		
111	(587) Customer Installations Expenses	190,577	165,682		
112	(588) Miscellaneous Expenses	2,102,130	1,365,684		
113	(589) Rents	133,279	139,784		
114	TOTAL Operation (Enter Total of lines 103 thru 113)	5,711,807	4,904,216		
115	Maintenance				
116	(590) Maintenance Supervision and Engineering	75,716	75,708		
117	(591) Maintenance of Structures				
118	(592) Maintenance of Station Equipment	271,891	216,090		
119	(593) Maintenance of Overhead Lines	4,061,336	2,279,760		
120	(594) Maintenance of Underground Lines	298,818	330,398		
121	(595) Maintenance of Line Transformers	365,758	128,296		
122	(596) Maintenance of Street Lighting and Signal Systems	111,184	62,587		
123	(597) Maintenance of Meters				
124	(598) Maintenance of Miscellaneous Distribution Plant	33,006	34,625		
125	TOTAL Maintenance (Enter Total of lines 116 thru 124)	5,217,709	3,127,464		
126	TOTAL Distribution Exp (Enter Total of lines 114 and 125)	10,929,516	8,031,680		
127	4. CUSTOMER ACCOUNTS EXPENSES				
128	Operation				
129	(901) Supervision	5,142	4,498		
130	(902) Meter Reading Expenses	591,029	924,417		
131	(903) Customer Records and Collection Expenses	3,501,575	3,172,167		
132	(904) Uncollectible Accounts	1,108,499	739,500		
133	(905) Miscellaneous Customer Accounts Expenses	200,831	137,437		
134	TOTAL Customer Accounts Expenses (Total of lines 129 thru 133)	5,407,076	4,978,019		
135	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES				
136	Operation				
137	(907) Supervision	44,271	65,355		
138	(908) Customer Assistance Expenses	2,811,171	1,871,132		
139	(909) Informational and Instructional Expenses	387,369	485,034		
140	(910) Miscellaneous Customer Service and Informational Expenses	372,617	1,876,394		
141	TOTAL Cust. Service and Information. Exp. (Total lines 137 thru 140)	3,615,428	4,297,915		
142	6. SALES EXPENSES				
143	Operation				
144	(911) Supervision				
145	(912) Demonstrating and Selling Expenses	134,884	122,120		
146	(913) Advertising Expenses	179,932	189,380		
147	(916) Miscellaneous Sales Expenses				
148	TOTAL Sales Expenses (Enter Total of lines 144 thru 147)	314,816	311,500		
149	7. ADMINISTRATIVE AND GENERAL EXPENSES				
150	Operation				
151	(920) Administrative and General Salaries	6,396,021	5,817,278		
152	(921) Office Supplies and Expenses	1,568,425	1,346,737		
153	(Less) (922) Administrative Expenses Transferred-Credit				

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
154	7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)			
155	(923) Outside Services Employed	4,100,806	3,952,415	
156	(924) Property Insurance	496,468	204,289	
157	(925) Injuries and Damages	868,867	1,046,508	
158	(926) Employee Pensions and Benefits	9,951,209	6,836,097	
159	(927) Franchise Requirements			
160	(928) Regulatory Commission Expenses	882,758	303,091	
161	(929) (Less) Duplicate Charges-Cr.	58,345	50,077	
162	(930.1) General Advertising Expenses	11,752	4,129	
163	(930.2) Miscellaneous General Expenses	1,828,609	1,717,164	
164	(931) Rents	553,386	492,799	
165	TOTAL Operation (Enter Total of lines 151 thru 164)	26,599,956	21,670,430	
166	Maintenance			
167	(935) Maintenance of General Plant	473,995	434,777	
168	TOTAL Admin & General Expenses (Total of lines 165 thru 167)	27,073,951	22,105,207	
169	TOTAL Elec Op and Maint Expn (Tot 80, 100, 126, 134, 141, 148, 168)	174,851,024	150,380,639	

Name of Respondent Madison Gas and Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	RQ Purchases - None					
2						
3	Non-RQ Purchases:					
4	WE Energies	SF	FERC No. 14			
5	WE Energies	OS	FERC No. 14			
6	WE Energies	OS	FERC No. 14			
7						
8						
9	Wisconsin Public Service Corp.	OS	FERC No. 12			
10	Wisconsin Public Service Corp.	IF	FERC No. 12			
11	Wisconsin Public Service Corp.	OS	FERC No. 12			
12						
13	Wisconsin Public Power Inc.	OS	FERC No. 13			
14						
	Total					

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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PURCHASED POWER(Account 555), (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
							1
							2
							3
1,600				78,400		78,400	4
39,558				829,411		829,411	5
	333	7,688					6
							7
							8
17,385				350,650		350,650	9
362,023			6,051,630	9,798,843		15,850,473	10
	34	1,623					11
							12
1,342				37,621		37,621	13
							14
1,275,887	689	10,741	15,086,264	34,893,912	-459,024	49,521,152	

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
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7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
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MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
		1,430					1
1,512				31,542		31,542	2
							3
131,362				3,441,684		3,441,684	4
532,748				13,532,991		13,532,991	5
					310,561	310,561	6
							7
46,971				1,916,713		1,916,713	8
							9
							10
21,635				733,560		733,560	11
							12
3,444				85,017		85,017	13
							14
1,275,887	689	10,741	15,086,264	34,893,912	-459,024	49,521,152	

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
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3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

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LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

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LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

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EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

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Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1						
2						
3	Rainy River Energy Corp.	LU	NA			
4						
5	Split Rock Energy LLC	OS	NA			
6						
7	Westar Energy	OS	NA			
8						
9	Rainbow Energy Marketing	OS	NA			
10						
11						
12						
13						
14						
Total						

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
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MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
							1
							2
38,261			4,452,502	1,271,425		5,723,927	3
							4
3,830				59,443		59,443	5
							6
1,285				34,490		34,490	7
							8
16,000				567,000		567,000	9
							10
							11
							12
							13
							14
1,275,887	689	10,741	15,086,264	34,893,912	-459,024	49,521,152	

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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PURCHASED POWER (Account 555), (Continued)
(Including power exchanges)

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	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
170				5,130		5,130	1
							2
120				1,500		1,500	3
							4
930				17,807		17,807	5
							6
							7
							8
1,160				11,970		11,970	9
							10
							11
							12
35,839			4,582,132	1,457,343		6,039,475	13
800				14,544		14,544	14
1,275,887	689	10,741	15,086,264	34,893,912	-459,024	49,521,152	

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
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LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

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Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Dane County Public Works	OS	NA			
2						
3	State of Wis. Capitol Heating Plant	OS	NA			
4						
5						
6						
7	Cargill Power Markets, LLC	OS	NA			
8						
9						
10						
11	Minnkota Power Cooperative	OS	NA			
12						
13	Minnesota Power	OS	NA			
14						
Total						

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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PURCHASED POWER (Account 555) (Continued)
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AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
12,766				419,865		419,865	1
							2
1,159				34,456		34,456	3
							4
							5
							6
2,272				109,832		109,832	7
							8
							9
							10
120				1,200		1,200	11
							12
420				5,370		5,370	13
							14
1,275,887	689	10,741	15,086,264	34,893,912	-459,024	49,521,152	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Madison Gas and Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	/ /	Dec. 31, 2003

PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Manitoba Hydro	OS	NA			
2						
3	Muscatine Power & Water	OS	NA			
4						
5	Upper Peninsula Power Co.	OS	NA			
6						
7	American Transmission Company	OS	NA			
8						
9	Mid-American Energy Co.	OS	NA			
10						
11						
12						
13						
14						
	Total					

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
20				1,160		1,160	1
							2
225				2,875		2,875	3
							4
	322						5
							6
					-769,585	-769,585	7
							8
930				42,070		42,070	9
							10
							11
							12
							13
							14
1,275,887	689	10,741	15,086,264	34,893,912	-459,024	49,521,152	

Name of Respondent Madison Gas and Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 326 Line No.: 4 Column: b 12/08/2003 and 12/09/2003
Schedule Page: 326 Line No.: 5 Column: b General purpose Energy
Schedule Page: 326 Line No.: 6 Column: b Re-dispatch service for American Transmission Company
Schedule Page: 326 Line No.: 9 Column: b General purpose energy
Schedule Page: 326 Line No.: 10 Column: b 09/24/01 - 09/23/03
Schedule Page: 326 Line No.: 11 Column: b Re-dispatch service for American Transmission Company
Schedule Page: 326 Line No.: 13 Column: b General purpose energy
Schedule Page: 326.1 Line No.: 1 Column: b Re-dispatch service for American Transmission Company
Schedule Page: 326.1 Line No.: 2 Column: b General purpose energy
Schedule Page: 326.1 Line No.: 4 Column: b 01/01/2001 - 12/31/2003
Schedule Page: 326.1 Line No.: 5 Column: b General purpose energy
Schedule Page: 326.1 Line No.: 6 Column: b Charges for losses
Schedule Page: 326.1 Line No.: 8 Column: b General purpose energy
Schedule Page: 326.1 Line No.: 11 Column: b General purpose energy
Schedule Page: 326.1 Line No.: 13 Column: b General purpose energy
Schedule Page: 326.2 Line No.: 3 Column: b 05/01/2002 - 04/30/2012 includes fuel component Tenaska
Schedule Page: 326.2 Line No.: 5 Column: b General purpose energy
Schedule Page: 326.2 Line No.: 7 Column: b General purpose energy
Schedule Page: 326.2 Line No.: 9 Column: b General purpose energy
Schedule Page: 326.3 Line No.: 1 Column: b General purpose energy
Schedule Page: 326.3 Line No.: 3 Column: b General purpose energy
Schedule Page: 326.3 Line No.: 5 Column: b General purpose energy
Schedule Page: 326.3 Line No.: 9 Column: b General purpose energy
Schedule Page: 326.3 Line No.: 13 Column: b 05/01/2002 - 04/30/2007

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
Madison Gas and Electric Company			
FOOTNOTE DATA			

Schedule Page: 326.3 Line No.: 14 Column: b

General purpose energy

Schedule Page: 326.4 Line No.: 1 Column: b

General purpose energy

Schedule Page: 326.4 Line No.: 3 Column: b

General purpose energy

Schedule Page: 326.4 Line No.: 7 Column: b

General purpose energy

Schedule Page: 326.4 Line No.: 11 Column: b

General purpose energy

Schedule Page: 326.4 Line No.: 13 Column: b

General purpose energy

Schedule Page: 326.5 Line No.: 1 Column: b

General purpose energy

Schedule Page: 326.5 Line No.: 3 Column: b

General purpose energy

Schedule Page: 326.5 Line No.: 5 Column: b

Re-dispatch service for American Transmission Co.

Schedule Page: 326.5 Line No.: 7 Column: b

Reservation charges associated with providing or receiving re-dispatch services

Schedule Page: 326.5 Line No.: 9 Column: b

General purpose energy

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i. e., wheeling, provided for other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column(d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: LF - for Long-term firm transmission service. "Long-term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract. SF - for short-term firm transmission service. Use this category for all firm services, where the duration of each period of commitment for service is less than one year.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Mid-Continent Area Power Pool (MAPP)	Madison Gas and Electric Co.	Various	OS	
2					
3	Midwest Independent System				
4	Operator (MISO)	Madison Gas and Electric Co.	Various	OS	
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
	TOTAL				

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions referred to as 'wheeling')

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all nonfirm service regardless of the length of the contract and service from, designated units of less than one year. Describe the nature of the service in a footnote for each adjustment.

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

5. In column (e), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.

6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.

7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
10	NA	NA				1
						2
						3
Orig. Vol. 1	NA	NA		45		4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
			0	45		0

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions referred to as 'wheeling')

8. Report in column (i) and (j) the total megawatthours received and delivered.
9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. Provide total amounts in column (i) through (n) as the last Line. Enter "TOTAL" in column (a) as the Last Line. The total amounts in columns (i) and (j) must be reported as Transmission Received and Delivered on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
		39	39	1
				2
				3
		131,943	131,943	4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
0	0	131,982	131,982	

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
Madison Gas and Electric Company			
FOOTNOTE DATA			

Schedule Page: 328 Line No.: 1 Column: m

Revenue from ancillary charges.

Schedule Page: 328 Line No.: 4 Column: i

Transmission service for others was provided as part of the MAPP Schedule F service schedule. As such, it is not possible to specifically identify the total MW hours that flowed through MGE's transmission system. MGE did receive loss compensation for 45 MW hours in 2003 and has reported it as the MW hours received in Column (i) and has reported zero MW hours delivered in Column (j). This method was chosen to accurately track the losses received by MGE.

Schedule Page: 328 Line No.: 4 Column: j

Transmission service for others was provided as part of the MAPP Schedule F service schedule. As such, it is not possible to specifically identify the total MW hours that flowed through MGE's transmission system. MGE did receive loss compensation for 45 MW hours in 2003 and has reported it as the MW hours received in Column (i) and has reported zero MW hours delivered in Column (j). This method was chosen to accurately track the losses received by MGE.

Schedule Page: 328 Line No.: 4 Column: m

Revenue from ancillary charges.

Name of Respondent Madison Gas and Electric Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year of Report Dec. 31, 2003	
TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")							
<p>1. Report all transmission, i.e., wheeling of electricity provided to respondent by other electric utilities, cooperatives, municipalities, or other public authorities during the year.</p> <p>2. In column (a) report each company or public authority that provide transmission service. Provide the full name of the company; abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider.</p> <p>3. Provide in column (a) subheadings and classify transmission service purchased from other utilities as: "Delivered Power to Wheeler" or "Received Power from Wheeler."</p> <p>4. Report in columns (b) and (c) the total Megawatt-hours received and delivered by the provider of the transmission service.</p> <p>5. In columns (d) through (g), report expenses as shown on bills or vouchers rendered to the respondent. In column (d), provide demand charges. In column (e), provide energy charges related to the amount of energy transferred. In column (f), provide the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (f). Report in column (9) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero ("0") column (g). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>6. Enter "TOTAL" in column (a) as the last Line. Provide a total amount in columns (b) through (g) as the last Line. Energy provided by the respondent for the wheeler's transmission losses should be reported on the Electric Energy Account, Page 401. If the respondent received power from the wheeler, energy provided to account for Losses should be reported on Line 19. Transmission By Others Losses, on Page 401. Otherwise, Losses should be reported on line 27, Total Energy Losses, Page 401.</p> <p>7. Footnote entries and provide explanations following all required data.</p>							
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
		Magawatt-hours Received (b)	Magawatt-hours Delivered (c)	Demand Charges (\$) (d)	Energy Charges (\$) (e)	Other Charges (\$) (f)	Total Cost of Transmission (\$) (g)
1	Received Power from						
2	Wheeler:						
3							
4	Dept. of Energy-WAPA	120	120			56	56
5	Midwest Independent	1,353,006	1,327,206		14,745,358		14,745,358
6	System Operator						
7	Dairyland Power Co-op	46,971	46,971	674,106			674,106
8	Northern States Power			-2,000			-2,000
9	Exelon	621,886	621,873	1,184,500	96	213,475	1,398,071
10	Illinois Power	15	15		57		57
11	Mid-American Power Pool	2,135	2,135		1,600	2,595	-995
12							
13	WI Public Service Corp.	21,228	21,228			136,330	136,330
14							
15	Omaha Public Power Dst.	1,160	1,160			193	193
16							
	TOTAL	2,046,521	2,020,708	1,856,606	14,747,111	347,459	16,951,176

Name of Respondent Madison Gas and Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec 31, 2003
FOOTNOTE DATA			

Schedule Page: 332 Line No.: 4 Column: f

Ancillary charges.

Schedule Page: 332 Line No.: 5 Column: c

Includes losses delivered by selling entity to the transmission provider.

Schedule Page: 332 Line No.: 9 Column: f

Scheduling fees and FERC annual charge.

Schedule Page: 332 Line No.: 11 Column: f

Revenue refund from 2002.

Schedule Page: 332 Line No.: 13 Column: f

Distribution and dynamic scheduling charges.

Schedule Page: 332 Line No.: 15 Column: f

Ancillary charges.

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)					
Line No.	Description (a)	Amount (b)			
1	Industry Association Dues	238,265			
2	Nuclear Power Research Expenses				
3	Other Experimental and General Research Expenses	121,284			
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	507,956			
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000				
6	Wisconsin Utility Public Benefits Program	253,344			
7	Administration of the Employee Benefit Program	206,638			
8	Directors' Fees and Expenses	166,549			
9	Meetings and Training	83,558			
10	Miscellaneous Payroll Charge	58,736			
11	Miscellaneous Dues	36,294			
12	Web Site Expenses	24,888			
13	Employee Communications	12,469			
14	Miscellaneous	118,628			
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL	1,828,609			

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of acquisition adjustments)

- Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403; (c) Depreciation Expense for Asset Retirement Costs (Account 403.1; (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
- Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
- Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
- If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant					
2	Steam Production Plant	4,488,895				4,488,895
3	Nuclear Production Plant	-24,379				-24,379
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	2,325,376				2,325,376
7	Transmission Plant	877,094				877,094
8	Distribution Plant	7,516,184				7,516,184
9	General Plant	517,558				517,558
10	Common Plant-Electric	736,646				736,646
11	TOTAL	16,437,374				16,437,374

B. Basis for Amortization Charges

Not Applicable

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	310.103	75	40.00		2.50		28.00
13	311.101	16,907	50.00	-10.00	2.20		28.20
14	311.102	13,358	51.00	-44.00	2.82		
15	312.101	34,092	40.00	-5.00	2.63		26.60
16	312.102	52,441	38.00	-12.00	2.95		
17	312.105	950	25.00	3.00	3.88		
18	312.106	6,232	10.00	-5.00			
19	314.101	15,970	44.00	-8.00	2.39		26.40
20	314.102	13,395	47.00	-5.00	2.30		
21	315.101	3,942	45.00	-5.00	2.33		17.60
22	315.102	3,545	43.00		2.44		
23	316.101	1,572	25.00		4.00		10.90
24	316.102	1,614	26.00		3.85		
25	316.105	190	12.00	20.00	6.67		
26	316.106	71	10.00				
27							
28	Subtotal	164,354					
29							
30	341.101	866	30.00	-5.00	3.50		
31	341.102	3,801	25.00	-5.00	4.20		
32	342.101	1,168	32.00	-5.00	3.28		
33	343.101	3,888	39.00	-5.00	2.69		
34	343.102	3,682	25.00	-5.00	4.20		
35	344.101	30,747	38.00	-5.00	2.76		
36	344.102	4,846	25.00	-5.00	4.20		
37	344.103	18,212	30.00	-5.00	3.50		
38	344.104	185	10.00		10.00		
39	345.101	1,939	38.00	-5.00	2.76		
40	345.102	922	25.00	-5.00	4.20		
41	345.103	397	30.00	-5.00	3.50		
42	346.101	122	20.00		5.00		
43	346.102	352	20.00		5.00		
44							
45	Subtotal	71,127					
46							
47							
48							
49							
50							

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year of Report Dec. 31, 2003	
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	352	3,389	43.00	-5.00	2.44		40.20
13	353.101	23,728	34.00	5.00	2.79		32.50
14	353.103	3,378	40.00	-10.00	2.75		
15	355	599	40.00	-5.00	2.63		34.20
16	356.101	529	40.00		2.75		46.00
17	357	73	40.00		2.50		33.80
18	358	800	37.00		2.70		34.00
19							
20	Subtotal	32,496					
21							
22	361	498	36.00		2.78		32.50
23	362	15,039	40.00		2.50		21.60
24	364	18,737	30.00	-25.00	4.17	Iowa R1	16.40
25	365	22,072	30.00		3.33	Iowa R1	16.90
26	366	32,624	50.00		2.00	Iowa S4	41.50
27	367	62,752	32.00	10.00	2.81	Iowa S3	24.50
28	368	39,518	37.00	-20.00	3.24	Iowa R3	25.50
29	369.101	2,591	27.00	-25.00	4.63	Iowa R1	15.50
30	369.102	24,457	40.00	-10.00	2.75	Iowa S2	29.10
31	370	24,899	20.00		5.00	Iowa R3	20.60
32	371	4,106	13.00	10.00	6.92	Iowa R1	14.30
33	373	2,120	20.00	-2.00	5.10	Iowa R1	11.70
34							
35	Subtotal	249,413					
36							
37	394	1,522	20.00		5.00		
38	395	475	18.00		5.56		
39	397	23,964	10.00		10.00		
40							
41	Subtotal	25,961					
42							
43							
44							
45							
46							
47							
48							
49							
50	Total - Composite	543,351					

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	PUBLIC SERVICE COMMISSION OF WISCONSIN				
2					
3	Docket 3270-UR-111:				
4	Request authority to change electric and				
5	natural gas rates	30,661	45,146	75,807	
6					
7	Docket 05-CE-121:				
8	Application for a Certification of Public				
9	Convenience and Necessity for construction				
10	of a large electric generating facility and				
11	associated high-voltage transmission and				
12	natural gas interconnection facilities located				
13	in Dane County	252,253	7,662	259,915	
14					
15	Docket 3270-AE-102:				
16	Application for Approval of Affiliated				
17	Interest Agreements associated with the				
18	proposed West Campus Cogeneration Facility	23,963	116,748	140,711	
19					
20	Docket 1-IC-322:				
21	Application for Intervenor Compensation Filed				
22	by Friends of Responsible Energy and Sierra				
23	Club Four Lake Group for \$154,945 in				
24	Docket 05-CE-121	39,895		39,895	
25					
26	Docket 3270-UR-112:				
27	Request Authority to Change Electric and				
28	Natural Gas Rates	190,789	166,546	357,335	
29					
30	FEDERAL ENERGY REGULATORY COMMISSION				
31	Various dockets relative to judicial				
32	proceedings involving ANR Pipeline Company				
33	activities		159,589	159,589	
34					
35	MISCELLANEOUS (5 Items)	48,302	246,249	294,551	
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL	585,863	741,940	1,327,803	

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR			
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
							1
							2
							3
							4
Elec/Gas	928	75,807					5
							6
							7
							8
							9
							10
							11
							12
Electric	928	259,915					13
							14
							15
							16
							17
Electric	928	140,711					18
							19
							20
							21
							22
							23
Electric	928	39,895					24
							25
							26
							27
Elec/Gas	928	357,335					28
							29
							30
							31
							32
Elec/Gas	928	159,589					33
							34
Elec/Gas	928	294,551					35
							36
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							41
							42
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							45
		1,327,803					46

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).
2. Indicate in column (a) the applicable classification, as shown below:

Classifications:

A. Electric R, D & D Performed Internally:

(1) Generation

- a. hydroelectric
 - i. Recreation fish and wildlife
 - ii Other hydroelectric
- b. Fossil-fuel steam
- c. Internal combustion or gas turbine
- d. Nuclear
- e. Unconventional generation
- f. Siting and heat rejection

(3) Transmission

- a. Overhead
- b. Underground

(4) Distribution

(5) Environment (other than equipment)

(6) Other (Classify and include items in excess of \$5,000.)

(7) Total Cost Incurred

B. Electric, R, D & D Performed Externally:

- (1) Research Support to the electrical Research Council or the Electric Power Research Institute

Line No.	Classification (a)	Description (b)
1	A(2)	Direct Load Management
2		
3	B(2)	
4		
5	B(4)	University of Wisconsin - Stray Voltage
6		
7	B(4)	University of Wisconsin-Milwaukee - By-Product Utilization
8		
9	Total	
10		
11		
12		
13		
14		
15		
16		
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18		
19		
20		
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Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

- (2) Research Support to Edison Electric Institute
 (3) Research Support to Nuclear Power Groups
 (4) Research Support to Others (Classify)
 (5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)

5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.

6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."

7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
92,537		549	92,521	16	1
					2
					3
					4
	31,283	930	31,283		5
					6
	2,500	930	2,500		7
					8
92,537	33,783		126,304	16	9
					10
					11
					12
					13
					14
					15
					16
					17
					18
					19
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Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	4,360,338		
4	Transmission			
5	Distribution	3,401,454		
6	Customer Accounts	2,402,585		
7	Customer Service and Informational	1,901,111		
8	Sales			
9	Administrative and General	6,624,901		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	18,690,389		
11	Maintenance			
12	Production	1,303,334		
13	Transmission			
14	Distribution	792,920		
15	Administrative and General	721		
16	TOTAL Maint. (Total of lines 12 thru 15)	2,096,975		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	5,663,672		
19	Transmission (Enter Total of lines 4 and 13)			
20	Distribution (Enter Total of lines 5 and 14)	4,194,374		
21	Customer Accounts (Transcribe from line 6)	2,402,585		
22	Customer Service and Informational (Transcribe from line 7)	1,901,111		
23	Sales (Transcribe from line 8)			
24	Administrative and General (Enter Total of lines 9 and 15)	6,625,622		
25	TOTAL Oper. and Maint. (Total of lines 18 thru 24)	20,787,364	2,872,542	23,659,906
26	Gas			
27	Operation			
28	Production-Manufactured Gas			
29	Production-Nat. Gas (Including Expl. and Dev.)			
30	Other Gas Supply	345,602		
31	Storage, LNG Terminaling and Processing			
32	Transmission			
33	Distribution	3,092,345		
34	Customer Accounts	2,078,258		
35	Customer Service and Informational	1,734,115		
36	Sales			
37	Administrative and General	3,916,888		
38	TOTAL Operation (Enter Total of lines 28 thru 37)	11,167,208		
39	Maintenance			
40	Production-Manufactured Gas			
41	Production-Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing			
44	Transmission			
45	Distribution	882,622		
46	Administrative and General	88		
47	TOTAL Maint. (Enter Total of lines 40 thru 46)	882,710		

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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Total Operation and Maintenance			
49	Production-Manufactured Gas (Enter Total of lines 28 and 40)			
50	Production-Natural Gas (Including Expl. and Dev.) (Total lines 29,			
51	Other Gas Supply (Enter Total of lines 30 and 42)	345,602		
52	Storage, LNG Terminaling and Processing (Total of lines 31 thru			
53	Transmission (Lines 32 and 44)			
54	Distribution (Lines 33 and 45)	3,974,967		
55	Customer Accounts (Line 34)	2,078,258		
56	Customer Service and Informational (Line 35)	1,734,115		
57	Sales (Line 36)			
58	Administrative and General (Lines 37 and 46)	3,916,976		
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)	12,049,918	1,700,076	13,749,994
60	Other Utility Departments			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	32,837,282	4,572,618	37,409,900
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant	4,277,820	1,015,335	5,293,155
66	Gas Plant	2,114,728	447,941	2,562,669
67	Other (provide details in footnote):			
68	TOTAL Construction (Total of lines 65 thru 67)	6,392,548	1,463,276	7,855,824
69	Plant Removal (By Utility Departments)			
70	Electric Plant	191,362	23,780	215,142
71	Gas Plant	92,031	11,436	103,467
72	Other (provide details in footnote):			
73	TOTAL Plant Removal (Total of lines 70 thru 72)	283,393	35,216	318,609
74	Other Accounts (Specify, provide details in footnote):			
75	Miscellaneous Accounts Receivable	106,308	13,210	119,518
76	Merchandising, Jobbing, and Contract Work	82,237	10,220	92,457
77	Miscellaneous Service Revenues - Electric	43,790	5,441	49,231
78	Nonoperating Expenses	1,233	153	1,386
79				
80				
81				
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	233,568	29,024	262,592
96	TOTAL SALARIES AND WAGES	39,746,791	6,100,134	45,846,925

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Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

COMMON UTILITY PLANT IN SERVICE GENERAL PLANT - 2003

	Plant Balance End of Year	Accumulated Provision for Depreciation End of Year
Land and Land Rights	\$ 2,379,764	\$ 0
Structures and Improvements	22,665,531	7,565,351
Office Furniture and Equipment	4,707,170	4,224,778
Data Handling Equipment	868,204	756,575
Computers	2,860,149	2,838,491
Stores Equipment	553,250	366,533
Tools and Shop Equipment	962,382	945,117
Power-Operated Equipment	950,626	660,346
Communications Equipment	758,077	550,080
Transportation Equipment	8,461,948	5,590,082
Retirement Work In Progress	0	(9,353)
	<u>\$45,167,101</u>	<u>\$23,488,000 (a)</u>

**COMMON UTILITY PLANT IN SERVICE AND ACCUMULATED PROVISION FOR DEPRECIATION
APPLICABLE TO UTILITY DEPARTMENTS**

	Plant Balance End of Year Allocation to Utility Departments		Accumulated Provision for Depreciation End of Year	
	Amount	Percentage	Amount	Percentage
Electric	\$27,155,613	60.1	\$14,362,912	61.1
Gas	18,011,488	39.9	9,125,088	38.9
	<u>\$45,167,101</u>	<u>100.0</u>	<u>\$23,488,000</u>	<u>100.0</u>

(a) Depreciation:

	Allocation:	
Total Expense for Year	Electric Department	Gas Department
\$2,120,948	\$1,254,406	\$866,542

The provision for depreciation of \$2,120,948 as shown above includes \$517,760 electric and \$380,445 gas depreciation on transportation and power-operated equipment. Allocation to utility departments of depreciation expense applicable to common property is based on allocation of common plant. Common plant operation and rents are not separately accounted for and, therefore, are not available.

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
ELECTRIC ENERGY ACCOUNT					
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.					
Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	3,081,367
3	Steam	2,013,795	23	Requirements Sales for Resale (See instruction 4, page 311.)	
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	106,569
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	1,417
7	Other	87,043	27	Total Energy Losses	151,552
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	3,340,905
9	Net Generation (Enter Total of lines 3 through 8)	2,100,838			
10	Purchases	1,275,887			
11	Power Exchanges:				
12	Received	689			
13	Delivered	10,741			
14	Net Exchanges (Line 12 minus line 13)	-10,052			
15	Transmission For Other (Wheeling)				
16	Received	45			
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)	45			
19	Transmission By Others Losses	-25,813			
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	3,340,905			

Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003	
MONTHLY PEAKS AND OUTPUT						
<p>1. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</p> <p>2. Report in column (b) the system's energy output for each month such that the total on Line 41 matches the total on Line 20.</p> <p>3. Report in column (c) a monthly breakdown of the Non-Requirements Sales For Resale reported on Line 24. include in the monthly amounts any energy losses associated with the sales so that the total on Line 41 exceeds the amount on Line 24 by the amount of losses incurred (or estimated) in making the Non-Requirements Sales for Resale.</p> <p>4. Report in column (d) the system's monthly maximum megawatt Load (60-minute integration) associated with the net energy for the system defined as the difference between columns (b) and (c)</p> <p>5. Report in columns (e) and (f) the specified information for each monthly peak load reported in column (d).</p>						
NAME OF SYSTEM:						
Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	293,776	18,877	479	27	5-6 p.m.
30	February	260,361	15,296	465	10	6-7 p.m.
31	March	267,110	9,970	457	3	6-7 p.m.
32	April	268,033	24,079	455	15	3-4 p.m.
33	May	252,489	5,145	447	27	2-3 p.m.
34	June	280,545	9,407	661	25	2-3 p.m.
35	July	325,108	10,852	612	7	3-4 p.m.
36	August	338,015	8,276	695	20	4-5 p.m.
37	September	279,438	4,698	600	8	4-5 p.m.
38	October	257,167	721	459	8	3-4 p.m.
39	November	249,089	468	458	24	5-6 p.m.
40	December	269,774	379	483	11	5-6 p.m.
41	TOTAL	3,340,905	108,168			

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: <i>Blount Station</i> (b)			Plant Name: <i>Nine Springs</i> (c)		
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear	Steam			Gas Turbine		
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional			Conventional		
3	Year Originally Constructed	1902			1964		
4	Year Last Unit was Installed	1968			1964		
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	187.50			16.20		
6	Net Peak Demand on Plant - MW (60 minutes)	0			0		
7	Plant Hours Connected to Load	20272			21		
8	Net Continuous Plant Capability (Megawatts)	199			18		
9	When Not Limited by Condenser Water	199			0		
10	When Limited by Condenser Water	196			0		
11	Average Number of Employees	99			0		
12	Net Generation, Exclusive of Plant Use - KWh	451951100			145800		
13	Cost of Plant: Land and Land Rights	9500			0		
14	Structures and Improvements	16906564			36568		
15	Equipment Costs	55575536			2515071		
16	Asset Retirement Costs	0			6071		
17	Total Cost	72491600			2557710		
18	Cost per KW of Installed Capacity (line 17/5) Including	386.6219			157.8833		
19	Production Expenses: Oper, Supv, & Engr	130300			4401		
20	Fuel	15829718			13657		
21	Coolants and Water (Nuclear Plants Only)	0			0		
22	Steam Expenses	1851534			0		
23	Steam From Other Sources	0			0		
24	Steam Transferred (Cr)	0			0		
25	Electric Expenses	1294721			10480		
26	Misc Steam (or Nuclear) Power Expenses	1523934			15585		
27	Rents	0			300		
28	Allowances	377525			0		
29	Maintenance Supervision and Engineering	129459			3376		
30	Maintenance of Structures	306877			2953		
31	Maintenance of Boiler (or reactor) Plant	2847263			0		
32	Maintenance of Electric Plant	574204			91498		
33	Maintenance of Misc Steam (or Nuclear) Plant	396504			6011		
34	Total Production Expenses	25262039			148261		
35	Expenses per Net KWh	0.0559			1.0169		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Coal	Gas	Alt. Fuels	Gas		Oil
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	Tons	Mcf.	Tons	Mcf.		Bbls.
38	Quantity (Units) of Fuel Burned	220949	1152521	8092	2190	0	50
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	11213	1000	13009	997	0	135714
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	33.427	5.736	36.015	5.129	0.000	0.000
41	Average Cost of Fuel per Unit Burned	33.487	5.736	36.015	5.129	0.000	48.497
42	Average Cost of Fuel Burned per Million BTU	1.493	5.738	1.384	5.143	0.000	8.508
43	Average Cost of Fuel Burned per KWh Net Gen	0.021	0.085	0.018	0.087	0.000	0.141
44	Average BTU per KWh Net Generation	0.000	13979.000	0.000	0.000	16934.000	0.000

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year of Report Dec. 31, 2003
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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: <i>Sycamore - 2 Units</i> (d)			Plant Name: <i>Fitchburg - 2 Units</i> (e)			Plant Name: <i>Portable Generators</i> (f)			Line No.
Gas Turbine			Gas Turbine			Internal Combustion			1
Conventional			Conventional			Portable			2
1967			1973						3
1971			1973			1999			4
41.60			57.60			0.00			5
0			0			0			6
343			483			416			7
44			51			0			8
0			0			0			9
0			0			0			10
0			0			0			11
3693600			6896200			394100			12
0			0			0			13
84498			114779			0			14
2372003			2171901			18609202			15
0			0			0			16
2456501			2286680			18609202			17
59.0505			39.6993			0.0000			18
12722			15003			0			19
396164			658927			67075			20
0			0			0			21
0			0			0			22
0			0			0			23
0			0			0			24
30293			35724			0			25
45048			53125			0			26
189096			334478			0			27
0			0			0			28
9757			11506			0			29
8535			10065			0			30
0			0			0			31
277259			321829			0			32
17376			20491			0			33
986250			1461148			67075			34
0.2670			0.2119			0.1702			35
Gas		Oil	Gas		Oil	Oil			36
Mcf.		Bbls.	Mcf.		Bbls.	Bbls.			37
68530	0	757	116901	0	603	533	0	0	38
1002	0	139465	1000	0	139367	139550	0	0	39
5.409	0.000	34.084	5.461	0.000	44.183	90.769	0.000	0.000	40
5.409	0.000	33.697	5.461	0.000	34.001	125.884	0.000	0.000	41
5.400	0.000	5.753	5.462	0.000	5.809	21.478	0.000	0.000	42
0.106	0.000	0.140	0.096	0.000	0.093	0.170	0.000	0.000	43
0.000	19782.000	0.000	0.000	17461.000	0.000	7924.000	0.000	0.000	44

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: M34/Marinette (b)	Plant Name: Wind Generators (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Gas Turbine	Wind
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional	Wind
3	Year Originally Constructed	1999	1998
4	Year Last Unit was Installed	2000	1999
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	83.00	11.22
6	Net Peak Demand on Plant - MW (60 minutes)	0	0
7	Plant Hours Connected to Load	858	8760
8	Net Continuous Plant Capability (Megawatts)	83	0
9	When Not Limited by Condenser Water	0	0
10	When Limited by Condenser Water	0	0
11	Average Number of Employees	0	0
12	Net Generation, Exclusive of Plant Use - KWh	54685000	21228000
13	Cost of Plant: Land and Land Rights	0	0
14	Structures and Improvements	627721	3800618
15	Equipment Costs	30779408	9801802
16	Asset Retirement Costs	0	625494
17	Total Cost	31407129	14227914
18	Cost per KW of Installed Capacity (line 17/5) Including	378.3991	1268.0850
19	Production Expenses: Oper, Supv, & Engr	0	0
20	Fuel	3887976	0
21	Coolants and Water (Nuclear Plants Only)	0	0
22	Steam Expenses	0	0
23	Steam From Other Sources	0	0
24	Steam Transferred (Cr)	0	0
25	Electric Expenses	144799	4865
26	Misc Steam (or Nuclear) Power Expenses	223972	49787
27	Rents	38053	43386
28	Allowances	0	0
29	Maintenance Supervision and Engineering	0	0
30	Maintenance of Structures	1519	0
31	Maintenance of Boiler (or reactor) Plant	0	0
32	Maintenance of Electric Plant	91879	0
33	Maintenance of Misc Steam (or Nuclear) Plant	0	0
34	Total Production Expenses	4388198	98038
35	Expenses per Net KWh	0.0802	0.0046
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Gas	Oil
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	Mcf.	Bbls.
38	Quantity (Units) of Fuel Burned	675380	2042
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1006	136513
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	5.630	30.394
41	Average Cost of Fuel per Unit Burned	5.630	41.851
42	Average Cost of Fuel Burned per Million BTU	5.597	7.299
43	Average Cost of Fuel Burned per KWh Net Gen	0.071	0.094
44	Average BTU per KWh Net Generation	0.000	12639.000

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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: <i>Columbia 1</i> (d)			Plant Name: <i>Columbia 2</i> (e)			Plant Name: <i>Columbia Total</i> (f)			Line No.
Steam			Steam			Steam			1
Conventional			Conventional			Conventional			2
1975			1978			1975			3
1975			1978			1978			4
112.60			112.40			225.00			5
0			0			0			6
8068			7639			0			7
111			104			216			8
111			104			216			9
0			0			0			10
0			0			0			11
807039000			754805000			1561844000			12
0			0			420857			13
0			0			13357556			14
0			0			78437589			15
0			0			0			16
0			0			92216002			17
0.0000			0.0000			409.8489			18
0			0			53791			19
10290321			9398472			19688793			20
0			0			0			21
0			0			720906			22
0			0			0			23
0			0			0			24
0			0			296940			25
0			0			3696463			26
0			0			0			27
0			0			359129			28
0			0			74472			29
0			0			68222			30
0			0			1963882			31
0			0			289402			32
0			0			133327			33
10290321			9398472			27345327			34
0.0128			0.0125			0.0175			35
Coal		Oil	Coal		Oil	Coal		Oil	36
Tons		Bbls.	Tons		Bbls.	Tons		Bbls.	37
513167	0	1297	467606	0	2220	980773	0	3517	38
8462	0	140890	8486	0	140890	8473	0	140890	39
20.214	0.000	40.482	20.214	0.000	40.482	20.214	0.000	40.482	40
20.075	0.000	39.543	20.015	0.000	41.384	20.046	0.000	40.705	41
1.186	0.000	6.683	1.179	0.000	6.994	1.183	0.000	6.879	42
0.013	0.000	0.000	0.012	0.000	0.000	0.013	0.000	0.000	43
0.000	10762.000	0.000	0.000	10514.000	0.000	0.000	10642.000	0.000	44

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SUBSTATIONS

- Report below the information called for concerning substations of the respondent as of the end of the year.
- Substations which serve only one industrial or street railway customer should not be listed below.
- Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
- Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Blackhawk	Distribution (U)	69.00	13.80	
2	Blackhawk	Distribution (U)	13.80	4.00	
3	Blount	Interconnect (U)	69.00	13.80	
4	Blount	Distribution (U)	69.00	13.80	
5	Blount	Distribution (U)	13.80	4.00	
6	Cross Plains	Distribution (U)	69.00	13.80	
7	East Campus	Distribution (U)	69.00	13.80	
8	East Campus	Distribution (U)	69.00	4.00	
9	East Campus	Distribution (U)	13.80	4.00	
10	East Towne	Distribution (U)	69.00	13.80	
11	Femrite	Distribution (U)	69.00	13.80	
12	Fitchburg	Distribution (U)	69.00	13.80	
13	Gateway	Distribution (U)	69.00	13.80	
14	Huiskamp	Distribution (U)	69.00	13.80	
15	Mendota	Distribution (U)	69.00	4.00	
16	Mendota	Distribution (U)	13.80	4.00	
17	Nine Springs	Distribution (U)	69.00	13.80	
18	Nine Springs	Distribution (U)	69.00	4.00	
19	Nine Springs	Distribution (U)	13.80	4.00	
20	Pflaum	Distribution (U)	69.00	13.80	
21	Pflaum	Distribution (U)	69.00	4.00	
22	Pheasant Branch	Distribution (U)	69.00	13.80	
23	Randall	Distribution (U)	13.80	4.00	
24	Royster	Distribution (U)	69.00	13.80	
25	Royster	Distribution (U)	69.00	4.00	
26	Ruskin	Distribution (U)	69.00	13.80	
27	Sprecher	Distribution (U)	69.00	13.80	
28	Sycamore	Distribution (U)	69.00	13.80	
29	Tokay	Distribution (U)	69.00	13.80	
30	University Hill Farms	Distribution (U)	13.80	4.00	
31	Walnut	Distribution (U)	69.00	13.80	
32	Walnut	Distribution (U)	13.80	4.00	
33	West Campus	Distribution (U)	13.80	4.00	
34	West Middleton	Distribution (U)	69.00	13.80	
35	West Towne	Distribution (U)	69.00	13.80	
36	Westport	Distribution (U)	69.00	13.80	
37	Wingra	Distribution (U)	69.00	13.80	
38	19 Substations < 10 MVA	Distribution (U)	13.80	4.00	
39	TOTALS		2070.00	377.40	
40					

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SUBSTATIONS (Continued)

5. Show in columns (i), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
30	1					1
7	2					2
128	4					3
40	2					4
64	8	1				5
10	1					6
60	2					7
5	1					8
10	2					9
40	2	1				10
18	2					11
40	2					12
10	1					13
32	2					14
5	1					15
5	1	1				16
40	2					17
		2				18
		1				19
20	1					20
5	1					21
40	2					22
21	8					23
20	1					24
5	1					25
40	2					26
20	1	1				27
32	2					28
20	1					29
10	2					30
60	2					31
4	2					32
10	2					33
30	2					34
40	2					35
10	1					36
40	2					37
121	40	1				38
1092	111	8				39
						40

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SUBSTATIONS

- Report below the information called for concerning substations of the respondent as of the end of the year.
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- Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	SUMMARY OF COLUMN (f) BY FUNCTIONS:				
2	MVA				
3	Interconnections. 128				
4	Transmission. 0				
5	Distribution. 964				
6	Total. 1,092				
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
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FOOTNOTE DATA			

Schedule Page: 426 Line No.: 10 Column: h

Mobile transformer mounted on a trailer.

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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report: (Mo, Da, Yr)	Year of Report
Madison Gas and Electric Company			Dec. 31, 2003

LIST OF SUPPLEMENTARY SCHEDULES			
Enter in column (d) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages.		Omit pages where the responses are "none," "not applicable," or "NA."	
Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
FINANCIAL SECTION			
Return On Common Equity	F-9	Ed. 12-89	None
Return On Rate Base Computation	F-10	Ed. 12-89	
Construction Overheads	F-16	Ed. 12-89	
Completed Construction Cleared	F-16	Ed. 12-89	
Investments & Funds (Accts. 123-128, incl.)	F-18	Ed. 12-89	
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Notes Payable (Acct. 231)	F-33	Ed. 12-89	
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Detail Of Certain General Expense Accounts	F-50	Ed. 12-89	
Common Utility Plant & Accumulated Depreciation	F-52	Ed. 12-89	
ELECTRIC OPERATING SECTION			
Electric Expenses	E-1	Ed. 12-89	None
Sales To Ultimate Customers	E-2	Ed. 12-89	
Power Adjustment Clause	E-5	Ed. 12-89	
Accumulated Provision For Depreciation Of Plant	E-24	Ed. 12-89	
Monthly Peaks & Output	E-29	Ed. 12-89	
Generation Summary Worksheet	E-36	Ed. 12-89	
Coal Contract Information	E-40	Ed. 12-89	
Electric Distribution Lines	E-63	Ed. 12-89	
Names of Cities, Villages, Towns	E-66	Ed. 12-89	
Electric System Map	-	-	
GAS OPERATING SECTION			
Names of Cities, Villages, Towns	G-1	Ed. 12-89	None None
Gas Operating Expenses	G-3	Ed. 12-89	
Revenues From Sales Of Gas	G-4	Ed. 12-89	
Gas Operation & Maintenance Expenses	G-7	Ed. 12-89	
Gas Utility Plant In Service	204-207	Ed. 12-89	
Accumulated Provision For Depreciation (Acct. 108)	G-12	Ed. 12-89	
Gas Production Statistics	G-14	Ed. 12-89	
Gas Holders	G-14	Ed. 12-89	
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Liquified Natural Gas Stored (Acct. 165)	G-15	Ed. 11-01	
Liquified Natural Gas Storage Statistics	G-15	Ed. 11-01	
Summary Of Gas Account	G-16	Ed. 12-89	
Summary Of System Load Statistics	G-16	Ed. 12-89	
Purchased Gas	G-18	Ed. 12-89	
Gas Mains By Types & Size	G-20	Ed. 12-89	
Gas Services (Located In Wisconsin)	G-21	Ed. 12-89	
Gas Services (Located Outside Wisconsin)	G-21	Ed. 12-89	
Gas Meters	G-22	Ed. 12-89	
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Hirschman-Herfindahl Index Form	G-23	Ed. 12-97	
Gas Stored (Accts. 117, 164.1, 164.2, and 164.3)	220	Ed. 12-87	
Detail of Stored Gas Account, Acct. 164.1	220 Supplemental	Ed. 11-01	
(con't on next page)			

Name of Respondent	This Report Is:	Date of Report:	Year of Report
Madison Gas and Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr)	Dec. 31, 2003

LIST OF SUPPLEMENTARY SCHEDULES

Enter in column (d) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages.

Omit pages where the responses are "none," "not applicable," or "NA."

Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
SELECTED FERC SCHEDULES			
Security Holders and Voting Powers	106-107		
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Capital Stock and Installments Received			
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Particulars Concerning Certain Income			
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Electric Distribution Meters and Line			
Transformers	429		

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RETURN ON COMMON EQUITY AND COMMON EQUITY PLUS ITC COMPUTATIONS

Note: Report on a corporate basis only; not consolidated. If you file monthly rate of return forms with the PSC, use the same method for completing this form. Use the average of the 12 monthly averages when computing average common equity.

Description (a)	Thousands of Dollars	
	Common Equity (b)	Common Equity plus ITC (c)
Common Stock Outstanding	\$17,348	\$17,348
Premium on Capital Stock	153,850	153,850
Capital Stock Expense	0	0
Retained Earnings	77,271	77,271
Deferred Investment Tax Credit (Only common equity portion if Form PSC-AF6 is filed on monthly basis with the Commission)	0	2,873
Other (Specify): Less: Nonutility Investments	(18,152)	(18,152)
Total Average Common Stock Equity plus Deferred Investment Tax Credit (sum of lines 14 thru 25)	\$230,317	\$233,190
Net Income		
Add:		
Net Income	\$30,348	\$30,348
Other (Specify): Non-utility income	0	0
Less:		
Preferred Dividends	0	0
Other (Specify): (If Form PSC-AF6 is filed with the Commission, net income must be reduced by that portion of net income representing debt cost of deferred investment tax credit as shown on the form.)	0	141
American Transmission Company (ATC) - Equity Earnings (net of tax)	2,208	2,208
Adjusted Net Income	\$28,140	\$27,999
Percent return (line 43 divided by line 27 to the nearest hundredth of a percent)	12.22%	12.01%

RETURN ON RATE BASE COMPUTATION

Note: Report on a corporate basis only; not consolidated. If you file monthly rate of return forms with the PSC, use the same method for completing this form. Use the average of the 12 monthly averages when computing the rate base.

Thousands of Dollars

Average Rate Base (a)	Electric (b)	Gas (c)	Other (d)	Total (e)
Add Average:				
Utility Plant In Service	\$530,513	\$206,643	\$0	\$737,156
Allocation Of Common Plant	26,893	17,598	0	44,491
Completed Construction not Classified	0	0	0	0
Nuclear Fuel	0	0	0	0
Materials and Supplies	11,703	14,106	0	25,809
Other (Specify):				
Nuclear Decommissioning Fund	779	0	0	779
Less Average:				
Reserve for Depreciation	290,067	139,954	0	430,021
Amortization Reserves	0	0	0	0
Customer Advances For Construction	1,096	158	0	1,254
Contribution in Aid of Construction	0	0	0	0
Other (Specify):				
*Results of 13-Month Average				
Average Net Rate Base*	\$278,725	\$98,235	\$0	\$376,960
RETURN				
Total Operating Income	\$29,041	\$12,100	\$0	\$41,141
Less: (Specify):				
Add: Income from Decommissioning Fund	0	0	0	0
Adjusted Operating Income	\$29,041	\$12,100	\$0	\$41,141
Adjusted Operating Income As A Percent Of Average Net Rate Base (Rounded To Nearest Hundredth of a Percent)	10.42%	12.32%	0%	10.91%

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

Report data necessary to calculate revenue subject to Wisconsin remainder assessment. For purposes of this schedule "out-of-state" and "in-state" refer to the geographic state of Wisconsin

Description (a)	This Year (b)
Operating revenues	\$409,813,456
Less: out-of-state operating revenues	0
Less: in-state interdepartmental sales	(8,266,173)
Less: current year write-offs of uncollectible accounts, Wisconsin utility customers only	(2,015,980)
Plus: current year collection of Wisconsin utility customer accounts previously written off	326,711
Other	0
Revenues subject to Wisconsin remainder assessment	\$399,858,014

CONSTRUCTION OVERHEADS

Report hereunder the total overheads and the total direct cost of construction for the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities should be grouped by utility department and function.

ANNUAL CHARGES

Project Description (a)	Direct Charges			
	Company Labor (b)	Company Materials (c)	Contractor Payments (d)	Other (e)
ELECTRIC DEPARTMENT				
Automated Meter Reading	\$367,644	\$259,624	\$2,995,972	\$30,590
Wingra Substation Transformer	54,386	90,871	1,109,065	11,966
Tokay Substation	26,169	118,137	1,631,661	-19,243
Projects under \$1,000,000	2,136,787	4,043,977	17,393,735	94,990
Total Electric	2,584,986	4,512,609	23,130,433	118,303
GAS DEPARTMENT				
Automated Meter Reading	165,951	3,203	1,708,403	13,085
Projects Under \$1,000,000	1,108,301	1,871,275	4,042,793	-208,717
Total Gas	1,274,252	1,874,478	5,751,196	-195,632
COMMON DEPARTMENT				
EMS Software Upgrade	98,868		1,131,454	1,728
Projects Under \$1,000,000	229,276	55,070	3,209,742	-33,950
Total Common	\$328,144	\$55,070	\$4,341,196	-\$32,222
Total	\$4,187,382	\$6,442,157	\$33,222,825	-\$109,551

% Of Total Direct Charges

COMPLETED CONSTRUCTION CLEARED

Report hereunder the total cost of completed construction projects cleared from account 107 during the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities should be grouped by utility department and function.

Project Description (a)	Direct Charges			
	Company Labor (b)	Company Materials (c)	Contractor Payments (d)	Other (e)
ELECTRIC DEPARTMENT				
Automated Meter Reading	\$257,753	\$259,624	\$3,294,808	\$30,590
Pheasant Branch Substation Transformer	83,854	88,650	1,561,653	18,020
Projects Under \$1,000,000	1,394,383	3,591,352	10,664,953	67,828
Total Electric	1,735,990	3,939,626	15,521,414	116,438
GAS DEPARTMENT				
Automated Meter Reading	165,951	3,360	2,102,108	13,085
Projects Under \$1,000,000	1,803,602	1,668,719	3,322,418	-246,989
Total Gas	1,969,553	1,672,079	5,424,526	-233,904
COMMON DEPARTMENT				
Projects Under \$1,000,000	77,862	13,154	3,239,885	22,574
Total	\$3,783,405	\$5,624,859	\$24,185,825	-\$94,892

% Of Total Direct Charges

CONSTRUCTION OVERHEADS (Continued)

Report hereunder the total overheads and the total direct cost of construction for the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities should be grouped by utility department and function.

ANNUAL CHARGES

Overheads

Total Direct Charges (f)	Engineering & Supervision (g)	Administration and General (h)	Allowance for Funds Used (i)	Taxes & Other (j)	Total Columns (f+g+h+i+j) (k)
\$3,653,830		\$27,637		\$11,283	\$3,692,750
1,266,288			29,662	37,688	1,333,638
1,756,724			63,764	16,327	1,836,815
23,669,489	1,062,440	115,043	418,456	2,235,543	27,500,971
					0
\$30,346,331	1,062,440	142,680	511,882	2,300,841	34,364,174
1,890,642		60,852		67,721	2,019,215
6,813,652	759,976	253,316	81,836	863,361	8,772,141
8,704,294	759,976	314,168	81,836	931,082	10,791,356
1,232,050			22,246	48,439	1,302,735
3,460,138			61,887	117,365	3,639,390
\$4,692,188	0	0	84,133	165,804	\$4,942,125
\$43,742,813	\$1,822,416	\$456,848	\$677,851	\$3,397,727	\$50,097,655
	4.17%	1.04%	1.55%	7.77%	

Report hereunder the total cost of completed construction projects cleared from account 107 during the year. Projects under \$1,000,000 for class A utilities and \$500,000 for class B utilities should be grouped by utility department and function.

Overheads

Total Direct Charges (f)	Engineering & Supervision (g)	Administration and General (h)	Allowance for Funds Used (i)	Taxes & Other (j)	Total Columns (f+g+h+i+j) (k)
\$3,842,775	\$0	\$27,638	\$0	\$111,283	\$3,981,696
1,752,177	119,661	12,887	38,977	49,788	1,973,490
15,718,516	937,115	102,519	317,653	702,256	17,778,059
21,313,468	1,056,776	143,044	356,630	863,327	23,733,245
2,284,504		60,852		67,721	2,413,077
6,547,750	758,373	252,781	76,583	493,168	8,128,655
8,832,254	758,373	313,633	76,583	560,889	10,541,732
3,353,475			23,969	38,927	3,416,371
\$33,499,197	\$1,815,149	\$456,677	\$457,182	\$1,463,143	\$37,691,348
	5.42%	1.36%	1.36%	4.37%	

INVESTMENTS AND FUNDS (ACCTS. 123-128,incl.)

1. Report, with separate subheadings for each account the securities owned by the utility; include date of issue and date of maturity in description of any debt securities owned. Designate any securities pledged and explain purpose of pledge in footnote. Minor investments included in Acct. 124 may be grouped by classes.
2. Report separately each fund account showing nature of assets included therein and list any securities included in fund accounts.

Issuing Company And Type of Security (a)	Interest or Divid- end Rate (b)	Par Value per Share (c)	No. of Shares or Principal Amount (d)	Book Cost End Of Year (e)
<u>Account 124 - Other Investments</u>				
Capital Formation			782,535	\$782,535
Promissory Notes - Gas Advances			1,184,279	1,184,279
Dane Fund (Loan)			30,000	30,000
American Transmission Company			27,886,162	27,886,162
Orion Lighting, Ltd.			60,000	60,000
Total - Acct. 124			29,942,976	\$29,942,976

ACCOUNTS RECEIVABLE (Accts. 142-143)

Particulars (a)	Amount end of year (b)	
Customer accounts receivable (142):		
Electric department	\$32,797,557	
Gas department)	0	
Water department	0	
Other -	0	
Total utility service	\$32,797,557	
Merchandising, jobbing and contract work	179,145	
Total (Acct. 142)	\$32,976,702	
Other accounts receivable (143):		
Officers and employees	\$0	
Subscriptions to capital stock	0	
All other (List separately only the large or unusual items):		
American Transmission Company	\$1,492,508	
Shared Savings Program	9,657	
Taxes Receivable	106,465	
Vendor Settlement	1,063,171	
Joint Trenching Charges	135,037	
Other - 258 Items	514,900	
Wisconsin Department of Transportation Relocation Project	745,121	
Total	\$4,066,859	

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ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR (Acct. 144)

Particulars (a)	Electric Utility Customers (b)	Gas Utility Customers (c)	Other Customers (d)	Total Utility Customers (e)
Balance first of year	\$892,804	\$1,620,147	\$0	\$2,512,951
Add: Provision for uncollectibles during year	1,108,499	591,158	0	1,699,657
Collection of accounts written off	212,932	105,842	0	318,774
Other credits (explain):	0	0	0	0
Total credits	1,321,431	697,000	0	2,018,431
Less: Accounts written off	1,212,879	741,845	0	1,954,724
Other debits (explain):	0	0	0	0
Total debits	1,212,879	741,845	0	1,954,724
Balance end of year	\$1,001,356	\$1,575,302	\$0	\$2,576,658

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS - CR (Acct. 144)(cont.)

Particulars (a)	Total Utility Customers (g)	Officers & Employees (h)	Other (i)	Total (j)
Balance first of year	\$2,512,951	\$0	\$146,303	\$2,659,254
Add: Provision for uncollectibles during year	1,699,657	0	65,806	1,765,463
Collection of accounts written off	318,774	0	7,936	326,710
Other credits (explain):	0	0	0	0
Total credits	2,018,431	0	73,742	2,092,173
Less: Accounts written off	1,954,724	0	61,255	2,015,979
Other debits (explain):	0	0	0	0
Total debits	1,954,724	0	61,255	2,015,979
Balance end of year	\$2,576,658	\$0	\$158,790	\$2,735,448
Loss on Wisconsin utility accounts:				
Accounts written off				\$1,954,724
Collection of such accounts previously written off				(318,774)
Net loss				\$1,635,950

Notes to explain "other" on lines 11, 14, 26 & 29 above:

UNAMORTIZED DEBT DISCOUNT AND EXPENSE

Report below the particulars called for with respect to the unamortized debt discount and expense or net premium applicable to each class and series of long-term debt. Show separately any unamortized debt discount and expense or call premiums applicable to refunded issues, including separate subtotal therefor. Show in column (a) the method of amortization for each amount of debt discount and expense or premium.

Explain any charges or credits in column (c) and (d) other than amortization in Acct. 428 or 429.

Debt to which related
(a)

Unamortized Debt Discount and Expense (181):*

First Mortgage Bonds
7.70%, 2028 Series

Medium-Term Notes
6.02%, 2008 Series
7.49%, 2007 Series
5.875%, 2034 Series
4.875%, 2012 Series
6.58%, 2012 Series
7.12%, 2032 Series
5.26%, 2017 Series
Variable %, 2004 Series
6.12%, 2028 Series
5.68%, 2033 Series
Total

Unamortized Discount on Long-Term Debt (226):*

7.70%, 2028 Series
6.58%, 2012 Series
7.12%, 2032 Series
5.875%, 2034 Series
4.875%, 2012 Series

Total

*The straight-line method is used for all amortizations.

Total

AND UNAMORTIZED PREMIUM ON DEBT (Accts. 181,251)

Report below the particulars called for with respect to the unamortized debt discount and expense or net premium applicable to each class and series of long-term debt. Show separately any unamortized debt discount and expense or call premiums applicable to refunded issues, including separate subtotal therefor. Show in column (a) the method of amortization for each amount of debt discount and expense or premium.

Explain any charges or credits in column (c) and (d) other than amortization in Acct. 428 or 429.

Discount and expense or (net premium) balance first of year (b)	Charges during year (c)	Credits during year (d)	Balance end of year (e)
\$1,090,446	\$0	\$43,401	\$1,047,045
241,321	0	42,275	199,046
77,968	0	16,511	61,457
852,796	0	26,859	825,937
457,650	0	18,491	439,159
546,179	0	59,046	487,133
1,000,668	0	34,211	966,457
136,499	20	9,254	127,265
55,214	78	28,845	26,447
0	1,087,150	87,751	999,399
0	318,155	1,681	316,474
\$4,458,741	\$1,405,403	\$368,325	\$5,495,819
\$264,521	\$0	\$10,528	\$253,993
94,244	0	10,189	84,055
165,563	0	5,660	159,903
640,448	0	20,172	620,276
185,876	0	7,510	178,366
\$1,350,652	\$0	\$54,059	\$1,296,593

MISC. CURRENT AND ACCRUED LIABILITIES (Acct. 242)

Minor items may be grouped by classes.

Description (a)	Balance end of Year (b)
Hospital and Medical Claims	\$663,394
Accrued Rents Payable	162,430
Accrued Salaries, Wages, and Compensation	2,050,000
Vacation Pay Accrued	3,989,636
Estimated Purchased Gas Adjustment - Overcollection	3,176,774
Claims Liability from Liquidated Subsidiaries	191,500
Energy Assistance Fund	55,099
Miscellaneous Payroll Deductions	71,751
Donation Payable to the MGE Foundation	3,250,000
Cash Overdraft Reclass	1,129,627
Other Current Liabilities	92,468
Total	\$14,832,679

DISTRIBUTION OF TAXES TO ACCOUNTS

Explain basis for allocation if used.

If the total does not equal taxes accrued, include a reconciling schedule.

Function (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	FICA and Fed. and State Un- employment Tax (e)
Accts. 408.1 and 409.1:				
Electric	\$7,173,132	\$1,882,055	\$4,068,962	\$1,874,338
Gas	1,227,780	1,227,760	4,351,486	914,900
Water	0	0	0	0
Heating	0	0	0	0
Accts. 408.2 and 409.2	0	80,127	326,947	7,221
Acct. 409.3	0	0	0	0
Clearing accounts	0	0	0	367,085
Construction	0	0	0	409,249
Other (specify):				
Acct. 142 - Accts. Receivable	0	0	0	0
Acct. 190 - Deferred Taxes	0	(2,719)	(11,095)	0
Acct. 282 - Deferred Taxes	0	210,256	857,921	0
Acct. 283 - Deferred Taxes	0	(167,406)	(683,079)	0
Total	\$8,400,912	\$3,230,073	\$8,911,142	\$3,572,793

Notes and explanations regarding tax distributions:

DISTRIBUTION OF TAXES TO ACCOUNTS (Cont.)

PSC Remainder Assessment (f)	Local Property Tax (g)	State and Local Taxes Other Than Wisconsin (h)	Other Taxes (i)	Total (j)
\$242,424	\$0	\$0	\$0	\$15,240,911
156,049	0	0	0	7,877,975
0	0	0	0	0
0	0	0	0	0
0	53,236	0	0	467,531
0	0	0	0	0
0	0	0	0	367,085
0	0	0	0	409,249
0	0	0	834	834
0	0	0	0	(13,814)
0	0	0	0	1,068,177
0	0	0	0	(850,485)
\$398,473	\$53,236	\$0	\$834	\$24,567,463

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INTEREST AND DIVIDEND INCOME (Acct. 419)

Security or account on which received (a)	Interest or dividend rate (b)	Amount (c)
(List items greater than \$10,000 separately; others may be grouped):		
Commercial Paper	1.09% to 1.35%	\$96,204
Decommissioning Fund	Various	523
Collection of Accounts Written Off	6.0% to 9.0%	25,921
Items Less Than \$10,000	Various	25,547
Amortization of Tax Settlements	6.0% to 9.0%	226,500
ATC/WCCF Advance	1.52% to 1.79%	68,532
Total interest and dividends		
		\$443,227
Expenses applicable to above (as listed hereunder): None		
Total expenses		
Interest and dividend income, before taxes		\$443,227

DETAIL OF CERTAIN GENERAL EXPENSE ACCOUNTS

Description of item (a)	Amount (b)	
Acct. 923—OUTSIDE SERVICES EMPLOYED—State total cost, nature of service, and name of each person who was paid for services includible in this account, \$10,000 or more in case of Class B utilities and \$25,000 or more in case of Class A utilities.		
Cullen, Weston, Pines & Bach - Legal Services	\$517,190	
DeWitt, Ross & Stevens - Legal Services	282,552	
Wimmer & Company, S.C. - Consulting Services	81,447	
PricewaterhouseCoopers LLP - Audit and Sundry Financial Services	395,907	
Navigant Consulting Inc. - Consulting Services	46,342	
Protiviti Consulting - Consulting Services	85,399	
Wood Communications Group - Consulting Services	42,574	
Stafford Rosenbaum LLP - Legal Services	1,336,305	
Sidley, Austin, Brown & Wood - Legal Services	92,791	
Virdigen LLC - Consulting Services	60,263	
Frank B. Manley & Company - Consulting Services	92,091	
Berbee Information Networks Corp. - Consulting Services	60,313	
Hunton & Williams - Legal Services	620,654	
Lafollette, Godfrey & Kahn - Legal Services	199,495	
Entium Technology Partners - Consulting Services	66,564	
(Continued on F-50, Copy 2)		
Total		
Acct. 924—PROPERTY INSURANCE—List hereunder major classes of expenses and also state extent to which utility is self-insured against insurable risks to its property:		
Premiums for insurance	\$620,109	
Dividends received from insurance companies—cr.	0	
Amounts credited to Acct. 261, Property Insurance Reserve	0	
Other expenses (list major classes):	0	
The Company is self-insured against property damage as follows:		
(a) Generating Station Boiler Perils - \$250,000 deductible		
(b) Generating Station Transformers - \$250,000 deductible		
(c) Transformer Damage - \$1.50 deductible per KVA, \$50,000 minimum		
(d) Property Damage:		
Office and Service Centers - \$50,000 deductible		
Generating Stations and Off-site Backup Generators - \$250,000 deductible		
Generating Station - \$450,000 deductible		
Transit - \$50,000 deductible, \$100,000 for turbines and generators		
EDP Equipment - \$50,000 deductible		
Rosiere Wind Turbines - \$150,000 deductible		
Other occurrences - \$50,000 deductible		
Total	\$620,109	
Acct. 925—INJURIES AND DAMAGES—List hereunder major classes of expense. Also, state extent to which utility is self-insured against risks of injuries and damages to employees or to others:		
Premiums for insurance	\$1,336,805	
Dividends received from insurance companies—cr.	0	
Amounts credited to Acct. 228, Injuries and Damages Reserves	0	
Expenses of investigating and adjusting claims	0	
Cost of safety and accident-prevention activities	0	
Other expenses (list major classes):	0	
The Company is self-insured against risks of injuries and damages to a limit of \$300,000 for employees and \$500,000 for other than employees.		
Total	\$1,336,805	

DETAIL OF CERTAIN GENERAL EXPENSE ACCOUNTS (Cont.)

Description of item (a)	Amount (b)	
Acct. 926--EMPLOYEE PENSIONS AND BENEFITS--Report total amount for utility hereunder and show credit for amounts transferred to construction or other accounts, leaving the net balance in Acct. 926		
Pension accruals or payments to pension fund	\$9,041,408	
Pension payments under unfunded basis	1,144,287	
Employees benefits (life, health, accident & hospital insurance, etc.)	4,502,253	
Expense of educational and recreational activities for employees	86,087	
Other expenses (list major items):		
Safety meetings	142,271	
Service awards	278,157	
Medical exams	64,941	
Employee publications	32,033	
Miscellaneous	23,119	
Total	\$15,314,556	
Acct. 930.2--MISCELLANEOUS GENERAL EXPENSES		
Industry association dues	\$322,481	
Nuclear power research expenses	0	
Other experimental and general research expenses	121,284	
Expenses of corporate organization and of servicing outstanding securities of utility	791,079	
Directors fees and expenses	259,856	
Other expenses (list major items):		
Wisconsin Utility Public Benefits Program	395,850	
Administration of the employee benefits program	322,871	
Meetings and training	169,648	
Miscellaneous payroll charges	52,665	
Miscellaneous dues	51,155	
Web Site Expenses	38,888	
Miscellaneous	220,525	
Total	\$2,746,302	
Acct. 922--ADMINISTRATIVE EXPENSES TRANSFERRED--Cr.--Explain basis of computation of credit in this account.	None	
Total		

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DETAIL OF CERTAIN GENERAL EXPENSE ACCOUNTS

Description of item (a)	Amount (b)
Acct. 923--OUTSIDE SERVICES EMPLOYED--State total cost, nature of service, and name of each person who was paid for services includible in this account, \$10,000 or more in case of Class B utilities and \$25,000 or more in case of Class A utilities.	
Norlight Telecommunications - Software Services	\$27,822
Cornerstone Research - Consulting Services	25,687
Eve Galanter - Consulting Services	43,850
Morgan McGuire - Legal Services	33,494
First Environment - Consulting Services	30,636
Greenbrier & Russel Inc. - Consulting Services	31,467
Master Link - Engineering Services	55,703
PeopleSoft - Software Services	99,656
Integrated Information Systems - Consulting Services	26,800
Allison Systems Inc. - Software Services	35,610
Leede Research Company, Inc. - Consulting Services	37,578
Camera Corner - Software Services	163,029
Other Items	592,272
Total	\$5,183,491

COMMON UTILITY PLANT AND ACCUMULATED DEPRECIATION

Utility Plant in Service					
Description (Use both title and account number) (a)	Additions during year (b)	Retirements during year (c)	Adjustments dr. or (cr.) (d)	Balance Total (e)	end of year Located in Wis (f)
Intangible plt-common Organization None					
Total intangible					
General plant					
Land & land rights (389)	\$749	\$0	\$0	\$2,379,764	All Located in Wisconsin
Structures & improv (390)	734,207	150,683	0	22,665,531	
Office furniture & fixtures (391)	592,642	830,369	0	8,435,523	
Transportation equipment (392)	456,722	53,859	0	8,461,948	
Stores equipment (393)	8,030	0	0	553,250	
Tools, shop & garage (394)	62,715	62,885	0	962,382	
Laboratory (395)	0	0	0	0	
Power operated (396)	224,434	50,065	0	950,626	
Communication (397)	129,896	6,442	0	758,077	
Miscellaneous (398)	0	0	0	0	
Other (399)	0	0	0	0	
Retirement Work in Progress	0	0	0	0	
Total general plant	\$2,209,395	\$1,154,303	\$0	\$45,167,101	
TOTAL	\$2,209,395	\$1,154,303	\$0	\$45,167,101	

ALLOCATION TO UTILITY DEPARTMENTS

Particulars (a)	Plant end of year (b)	Accumulated deprec. end of year (c)	Depreciation accruals (d)
Electric	\$27,155,613	\$14,362,912	\$736,646
Gas	18,011,488	9,125,088	491,098
Water	0	0	0
Steam Heating	0	0	0
Clearing Account	0	0	893,204
Total	\$45,167,101	\$23,488,000	\$2,120,948

COMMON UTILITY PLANT AND ACCUMULATED DEPRECIATION (cont.)

Accumulated provision for depreciation							
Straight line accruals		Additional accruals (i)	Book cost of plant retired (j)	Cost of removal (k)	Salvage (l)	Other additions or (deductions) (m)	Balance end of year (n)
Rate (g)	Amount (h)						
-	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2.22	496,071	0	150,683	27,115	0	0	7,565,351
(c)	559,651	0	830,369	0	18,046	0	7,819,844
(a)	778,892	0	53,859	0	0	0	5,590,082
6.67	36,367	0	0	0	0	0	366,533
8.33	81,725	0	62,885	17,714	28,078	0	945,117
-	0	0	0	0	0	0	0
(b)	114,312	0	50,065	0	0	0	660,346
7.69	53,930	0	6,442	0	0	0	550,080
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	(19,532)	(9,353)
-	\$2,120,948	\$0	\$1,154,303	\$44,829	\$46,124	(\$19,532)	\$23,488,000
-	\$2,120,948	\$0	\$1,154,303	\$44,829	\$46,124	(\$19,532)	\$23,488,000

Explanation of method for allocating comm-

- Common Plant - Based on use by gas and electric departments.
- Accumulated Depreciation and Depreciation Expense - Based on allocation of common plant.

Notes:

- (a) No depreciation rate is certified for transportation equipment, which is depreciated on unit basis.
- (b) Depreciation for power-operated equipment is calculated on a unit basis per PSCW Docket No. 3270-DU-1.
- (c) 6.00 Office Furniture and Fixtures
19.00 Data Handling Equipment
20.00 Computers

Explanation of items in Column (m):

- (1) Change in retirement work in progress

ELECTRIC EXPENSES

Report all amounts under column d, "total operations", on the basis and in conformity with the uniform system of accounts and accounting directives prescribed by this commission. Allocate "total operations" amounts jurisdictionally between Wisconsin (PSCW) jurisdiction and all other jurisdiction.

Particulars (a)	Wisconsin jurisdictional operations (b)	Other jurisdictional operations (c)	Total operations (d)
OPERATING EXPENSES			
Power production expenses (500-558)	\$110,546,088	None	All in Wisconsin
Transmission expenses (560-573)	16,964,149		
Distribution expenses (580-598)	10,929,517		
Customer accounts expenses (901-905)	5,407,076		
Customer service expenses (907-910)	3,615,427		
Sales promotion expenses (911-913)	314,816		
Administration and general expenses (920-935)	27,073,951		
Total operation and maintenance expenses (401-402)	174,851,024		
Depreciation expense (403)	16,437,374		
Amortization of limited-term utility plant (404)	0		
Amortization of other utility plant (405)	0		
Amortization of utility plant acquisition adjustment (406)	0		
Amortization of property losses (407)	0		
Taxes other than income taxes (408.1)	9,289,893		
Income taxes (409.1)	5,951,017		
Provision for Deferred Income Taxes (410.1 and 411.1)	7,044,147		
Investment tax credits, restored (411.4)	(350,340)		
Total operating expenses	\$213,223,115		

SALES TO ULTIMATE CUSTOMERS

1. Report data by rate schedule for all sales of retail electricity (including unbilled revenues and KWH) for each account. Show totals for each account and for combined sales to ultimate customers.
2. Report number of customers on the basis of number of meters plus the number of flat rate accounts. Where meter readings are added for billing purposes, count one customer for each group of meters so added. Compute the average on the basis of the 12 month ended figures.
3. If the customer count in any service classification includes customers counted more than once because of special services, such as water heating, etc., indicate in a footnote the number of such duplicate customers included in the classification.

Rate schedule (a)	Wisconsin Geographical Operations		
	Revenues (b)	KWH "000s" omitted (c)	Avg. no. customers (d)
RESIDENTIAL			
Lighting (Rg-1)	\$84,446,778	792,784	113,993
Time-of-Use (Rg-2)	666,028	7,210	345
Lifeline Lighting (Rg-3)	20,017	234	47
Overhead Lighting (unmetered) (OL-1)	14,229	64	93
Off-Peak Water Heating (Rw-1)	16,752	243	112
	85,163,804	800,535	114,590 (a)
COMMERCIAL AND INDUSTRIAL			
Lighting and Power (Cg-1)	42,898,543	544,266	3,003
Lighting and Power Time-of-Use (Cg-2)	52,952,044	836,105	374
Lighting and Power (Cg-5)	20,332,951	209,540	12,901
Small C&I Optional Time-of-Use (Cg-3)	479,358	5,522	196
Large C&I Optional Time-of-Use (Cg-4)	2,856,217	42,035	135
Lighting and Power - High Load Factor (Cg-6)	8,075,440	154,628	13
Amplifiers (Gf-1)	280,929	3,587	2
Special (Sp-4)	3,261,208	60,826	1
Telephone Booths (Gf-1)	708	8	1
Overhead Lighting (OL-1)	355,869	1,821	938
Parallel Generation (Pg-2)	2,484	36	2
High Load Factor Direct Control Interruptible (Cp-1)	2,638,749	92,608	1
Interruptible Service Rider (Cs-1)	4,604	44	10
	134,139,104	1,951,026	17,577
PUBLIC STREET AND HIGHWAY LTG.			
Highway Lighting (metered) (Cg-5)	1,883	18	3
Boulevard Lighting (unmetered) (LS-1, 2, 3)	898,665	8,154	54
Athletic Field Lighting (MLS)	49,473	539	19
	950,021	8,711	76
OTHER PUBLIC AUTHORITIES			
Capitol Heating Plant (Sp-5)	193,576	1,337	1
University of Wisconsin (Sp-3)	16,830,755	314,141	1
Defense Sirens (Mg-2)	1,199	0	0
	17,025,530	315,478	2
INTERDEPARTMENTAL SALES	518,556	5,617	1
TOTAL WISCONSIN	\$237,797,015	3,081,367	132,246
(a) Includes 112 water-heating customers who are served on the Rg-1 rate schedule as well.			

ACCUM. PROV. FOR DEPRECIATION OF PLANT IN SERVICE (Acct. 108)

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Primary plant accounts (a)	Balance first of year (b)	S.L. Dpr. rate % used (c)	Accruals during year	
			Straight line amount (d)	Additional amount (e)
STEAM PRODUCTION				
Land and land rights (310)	\$27,585	2.50	\$1,882	\$0
Structures & improvements (311)*	20,365,871	*	748,989	0
Boiler plant equipment (312)*	53,486,207	*	3,042,151	0
Boiler plant equipment - unit train (312)	949,845	3.88	0	0
Turbogenerator units (314)*	16,737,587	*	685,974	0
Accessory elec. equipment (315)*	5,797,766	*	178,039	0
Misc. power equipment (316)*	1,494,040	*	111,341	0
Total steam production	98,858,901		4,768,376	0
NUCLEAR PRODUCTION				
Land and land rights (320)				
Structures & improvements (321) None				
Reactor plant equip. (322)				
Turbogenerator units (323)				
Accessory elec. equipment (324)				
Misc. power plant equip. (325)				
Total nuclear prod. plant				
HYDR. & PUMPED STORAGE				
Structures & improvements (331) None				
Reser., dams & waterways (332)				
Water wheels, turb. & gen. (333)				
Accessory elec. equipment (334)				
Misc. power plant equip. (335)				
Roads, railroads & bridges (336)				
Total hydraulic production				
OTHER PRODUCTION				
Structures & imprvmnts. (341)	649,090	Various	189,949	0
Fuel holders, prod. & access. (342)	753,910	Various	38,320	0
Prime movers (343)	2,504,786	Various	259,227	0
Generators (344)	5,001,306	Various	1,708,067	0
Accessory elec. equipment (345)	649,044	Various	106,102	0
Misc. power plant equipment (346)	136,048	Various	23,711	0
Asset retirement cost (347)			138,172	0
Total other production	9,694,184		2,463,548	0
TRANSMISSION PLANT				
Land and land rights (350)	0	-	0	0
Structures & imprvmnts. (352)	1,271,799	2.44	82,815	0
Station equipment (353)*	13,044,690	2.79	740,546	0
Towers and fixtures (354)	0	2.10	0	0
Poles and fixtures (355)	237,902	2.63	15,753	0
Overhead cond. & devices (356)	182,006	2.75	14,562	0
Underground conduit (357)	47,692	2.50	1,827	0
Underground cond. & devices (358)	191,522	2.70	21,591	0
Roads and trails (359)	0	-	0	0
Total transmission	14,975,611		877,094	0
INTANGIBLE PLANT				
Miscellaneous intangible plant (303)	\$0	-	\$0	\$0

ACCUMULATED PROVISION FOR DEPRECIATION OF PLANT IN SERVICE

Book cost of plant retired (f)	Cost of removal (g)	Salvage (h)	Other additions or deductions		Balance end of year (k)
			Debit (i)	Credit (j)	
\$0	\$0	\$0	\$0	\$0	\$29,467
19,231	18,890	0	0	0	21,076,739
477,057	0	0	0	0	56,051,301
0	0	0	0	0	949,845
0	0	0	0	0	17,423,561
0	0	0	0	0	5,975,805
7,172	1,190	0	0	0	1,597,019
503,460	20,080				103,103,737
0	0	0	0	0	839,039
0	0	0	0	0	792,230
0	0	0	0	0	2,764,013
0	0	0	0	0	6,709,373
0	0	0	0	0	755,146
0	0	0	0	0	159,759
0	0	0	0	0	138,172
0	0	0	0	0	12,157,732
7,607	617	0	0	0	0
137,418	15,177	3,296	0	0	1,346,390
0	0	0	0	0	13,635,937
0	0	0	0	0	0
0	0	0	0	0	253,655
0	0	0	0	0	196,568
0	0	0	0	0	49,519
0	0	0	0	0	213,113
0	0	0	0	0	0
145,025	15,794	3,296	0	0	\$15,695,182
\$0	\$0	\$0	\$0	\$0	\$0

ACCUMULATED PROVISION FOR DEPRECIATION OF PLANT IN SERVICE

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Primary plant accounts (a)	Balance first of year (b)	S.L. Dpr. rate % used (c)	Accruals during year	
			Straight line amount (d)	Additional amount (e)
DISTRIBUTION PLANT				
Land and land rights (360)	\$0	-	\$0	\$0
Structures & improvements (361)	125,592	2.78	13,326	0
Station equipment (362)	3,521,456	2.50	255,398	0
Storage battery equip. (363)	0	-	0	0
Poles, towers & fixtures (364)	6,708,113	4.17	756,665	0
Overhd cond. and devices (365)	7,349,925	3.33	716,119	0
Underground conduit (366)	9,383,025	2.00	631,108	0
Underground cond. and devices (367)	15,388,325	2.81	1,681,589	0
Line transformers (368)	15,197,667	3.24	1,235,814	0
Services (369)*	8,713,523	*	772,588	0
Meters (370)	5,664,962	5.00	1,065,614	0
Install. on cust. prem. (371)	1,943,959	6.92	283,411	0
Leased prop. on cust. prem. (372)	0	-	0	0
St. lighting & signal sys. (373)	1,099,217	5.10	104,552	0
Asset retirement cost (374)			36,564	0
Total distribution	75,095,764		7,552,748	0
GENERAL PLANT				
Structures and imprvmnts. (390)	0	-	0	0
Office furniture & equip. (391)	0	-	0	0
Transportation equipment (392)	0	-	0	0
Stores equipment (393)	0	-	0	0
Tools, shop & garage equip. (394)	661,599	5.00	72,371	0
Laboratory equipment (395)	452,334	5.56	23,156	0
Power-operated equipment (396)	0	-	0	0
Communication equipment (397)	23,528,502	10.00	422,031	0
Miscellaneous equipment (398)	0	-	0	0
Pre 1990 contributions in aid of const.	0	-	0	0
Retirement work in progress	(1,454,372)	-	0	0
Total general	23,188,063		517,558	0
Total	\$221,812,523		\$16,179,324	\$0
DEPRECIATION SUMMARY				
Total depreciation expense (columns (d) and (e))				\$16,179,324
Less amounts charged to NOx escrow				(590,853)
Less - decommissioning depreciation				(24,379)
Add NOx depreciation				311,372
Plus allocation of depreciation on common plant				736,646
Less - asset retirement cost				(174,736)
Total electric depreciation expense				\$16,437,374
Total reserve balance (column k)				234,259,219
Plus allocation of reserve on common plant				14,362,912
Total depreciation reserve for electric utility				\$248,622,131

ACCUMULATED PROVISION FOR DEPRECIATION OF PLANT IN SERVICE

Book cost of plant retired (f)	Cost of removal (g)	Salvage (h)	Other additions or deductions		Balance end of year (k)
			Debit (i)	Credit (j)	
\$0	\$0	\$0	\$0	\$0	\$0
1,616	617	0	0	0	136,685
88,627	27,319	3,246	0	0	3,664,154
0	0	0	0	0	0
281,921	309,286	99,300	0	0	6,972,871
407,228	240,624	104,162	0	0	7,522,354
58,088	24,448	11,455	0	0	9,943,052
733,115	50,446	126,276	0	0	16,412,629
7,469	517	837	0	0	16,426,332
90,765	44,067	7,999	0	0	9,359,278
0	0	0	0	0	6,730,576
53,794	5,969	5,843	0	0	2,173,450
0	0	0	0	0	0
40,372	6,704	4,850	0	0	1,161,543
0	0	0	0	0	36,564
1,762,995	709,997	363,968	0	0	80,539,488
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
56,111	0	18,000	0	0	695,859
0	0	0	0	0	475,490
0	0	0	0	0	0
60,227	1,047	0	0	0	23,889,259
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	(1) 668,420	0	(2,122,792)
116,338	1,047	18,000	668,420	0	22,937,816
\$2,527,818	\$746,918	\$385,264	\$668,420	\$0	\$234,433,955
Explanation of items in Columns (i) and (j)					
			(DR)		
(1) Change in retirement work in progress			\$668,420		
			\$668,420		
			=====		

ACCUM. PROV. FOR DEPRECIATION OF PLANT IN SERVICE (Acct. 108)

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Primary plant accounts (a)	Balance first of year (b)	S.L. Dpr. rate % used (c)	Accruals during year	
			Straight line amount (d)	Additional amount (e)
Structures & Improvements - Blount Street (311.101)	\$10,177,595	2.20	\$370,152	\$0
Structures & Improvements - Columbia (311.102)	10,188,276	2.82	378,837	0
Totals	\$20,365,871		\$748,989	\$0
Boiler Plant Equipment - Blount Street (312.101)	\$18,624,251	2.63	\$891,693	\$0
Boiler Plant Equipment - Columbia (312.102)	33,987,167	2.95	1,560,954	0
Boiler Plant Equipment - NOx Columbia (312.106)	874,789	10.00	589,504	0
Totals	\$53,486,207		\$3,042,151	\$0
Turbogenerator Units - Blount Street (314.101)	\$9,980,512	2.39	\$379,284	\$0
Turbogenerator Units - Columbia (314.102)	6,757,075	2.30	306,690	0
Totals	\$16,737,587		\$685,974	\$0
Accessory Electrical Equipment - Blount Street (315.101)	\$3,466,789	2.33	\$91,844	\$0
Accessory Electrical Equipment - Columbia (315.102)	2,330,977	2.44	86,195	0
Totals	\$5,797,766		\$178,039	\$0
Miscellaneous Power Plant Equipment - Blount Street (316.101)	\$653,599	4.00	\$58,015	\$0
Miscellaneous Power Plant Equipment - Columbia (316.102)	648,633	3.85	51,977	0
Environmental Test Equipment - Columbia (316.105)	190,236	6.67	0	0
Miscellaneous Power Plant Equip. - NOx Columbia (316.106)	1,572	10.00	1,349	0
Totals	\$1,494,040		\$111,341	\$0

ACCUMULATED PROVISION FOR DEPRECIATION OF PLANT IN SERVICE

Book cost of plant retired (f)	Cost of removal (g)	Salvage (h)	Other additions or deductions		Balance end of year (k)
			Debit (i)	Credit (j)	
\$19,231	\$18,890	\$0	\$0	\$0	\$10,509,626
0	0	0	0	0	10,567,113
\$19,231	\$18,890	\$0	\$0	\$0	\$21,076,739
\$0	\$0	\$0	\$0	\$0	\$19,515,944
477,057	0	0	0	0	35,071,064
0	0	0	0	0	1,464,293
\$477,057	\$0	\$0	\$0	\$0	\$56,051,301
\$0	\$0	\$0	\$0	\$0	\$10,359,796
0	0	0	0	0	7,063,765
\$0	\$0	\$0	\$0	\$0	\$17,423,561
\$0	\$0	\$0	\$0	\$0	\$3,558,633
0	0	0	0	0	2,417,172
\$0	\$0	\$0	\$0	\$0	\$5,975,805
\$7,172	\$1,190	\$0	\$0	\$0	\$703,252
0	0	0	0	0	700,610
0	0	0	0	0	190,236
0	0	0	0	0	2,921
\$7,172	\$1,190	\$0	\$0	\$0	\$1,597,019

ACCUM. PROV. FOR DEPRECIATION OF PLANT IN SERVICE (Acct. 108)

Report in column (e) additional depreciation expense authorized by Commission to be charged where tax depreciation allowances exceed book amounts.

Primary plant accounts (a)	Balance first of year (b)	S.L. Dpr. rate % used (c)	Accruals during year	
			Straight line amount (d)	Additional amount (e)
Station Equipment - Other (353.101)	\$10,854,186		\$664,884	\$0
Station Equipment - Columbia (353.103)	2,190,504		75,662	0
Totals	\$13,044,690		\$740,546	\$0
Services - Overhead (369.101)	\$905,109		\$118,217	\$0
Services - Underground (369.102)	7,808,414		654,371	0
Totals	\$8,713,523		\$772,588	\$0

ACCUMULATED PROVISION FOR DEPRECIATION OF PLANT IN SERVICE

Book cost of plant retired (f)	Cost of removal (g)	Salvage (h)	Other additions or deductions		Balance end of year (k)
			Debit (i)	Credit (j)	
\$137,418	\$15,177	\$3,296	\$0	\$0	\$11,369,771
0	0	0	0	0	2,266,166
\$137,418	\$15,177	\$3,296	\$0	\$0	\$13,635,937
\$25,377	\$30,717	\$2,558	\$0	\$0	\$969,790
65,388	13,350	5,441	0	0	8,389,488
\$90,765	\$44,067	\$7,999	\$0	\$0	\$9,359,278

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MONTHLY PEAKS AND OUTPUT

1. Report hereunder the information called for pertaining to simultaneous peaks established monthly (in thousands of kilowatts) and monthly output (in thousands of kilowatt-hours).
2. Monthly peak col. (b) should be respondent's maximum kw. load as measured by the sum of its coincidental net generation and purchases plus or minus net interchange.
3. State type of monthly peak reading (instantaneous (0), 15, 30, or 60 minutes integrated).
4. Monthly output should be the sum of respondent's net generation for load and purchases plus or minus net interchange and plus or minus net transmission or wheeling. Total for the year should agree with line 23 on page E-28.
5. If the utility has two or more power systems not physically connected, the information called for below should be furnished for each system.

(a)	Monthly peak					Mo. output KWH(000's) (g)
	KW (000's) (b)	(Mon. etc.) (c)	(Mo/Da/Yr) (d)	Time (Hour:Min) (e)	Type of (0,15,30,60) (f)	
January	479	Monday	01/27/03	5-6 p.m.	All are 60-minute integrated	293,776
February	465	Monday	02/10/03	6-7 p.m.		260,361
March	457	Monday	03/03/03	6-7 p.m.		267,110
April	455	Tuesday	04/15/03	3-4 p.m.		268,033
May	447	Tuesday	05/27/03	2-3 p.m.		252,489
June	661	Wednesday	06/25/03	2-3 p.m.		280,545
July	612	Monday	07/07/03	3-4 p.m.		325,108
August	695	Wednesday	08/20/03	4-5 p.m.		338,015
September	600	Monday	09/08/03	4-5 p.m.		279,438
October	459	Wednesday	10/08/03	3-4 p.m.		257,167
November	458	Monday	11/24/03	5-6 p.m.		249,089
December	483	Thursday	12/11/03	5-6 p.m.		269,774
Total						3,340,905
System Name		Madison Gas and Electric Company				

Form:

GENERATION SUMMARY WORKSHEET

Utility: Madison Gas & Electric

FERC Form 1 Page 402

Plant Name	Unit ID	Generator Nameplate Capacity (MW)	Type of Prime Mover	Summer Capability (MW)	Winter Capability (MW)	Line 12 - Net Generation (MWH)
COAL						
Blount Street	1	12.50	ST	6.80	7.20	0.00
Blount Street	3	40.60	ST	39.20	41.70	85,784.70
Blount Street	4	25.00	ST	22.40	23.80	2,702.70
Blount Street	5	28.80	ST	28.50	30.30	9,823.40
Blount Street	6	58.80	ST	49.00	53.00	193,549.70
Blount Street	7	58.80	ST	48.20	52.70	160,090.60
GAS						
Nine Springs	1	19.00	GT	14.90	17.00	145.80
Fitchburg	1	29.60	GT	22.10	23.60	5,101.70
Fitchburg	2	29.60	GT	21.70	23.10	1,794.50
Sycamore	1	21.20	GT	14.70	15.80	678.00
Sycamore	2	23.00	GT	20.80	24.30	3,015.60
West Marinette	M34	105.90	GT	79.50	93.20	54,685.00
DISTRIBUTED GENERATORS						
	1	0.90	IC	0.90	0.61	6.36
	2	0.90	IC	0.90	0.70	3.22
	3	0.90	IC	0.90	0.74	3.83
	4	0.90	IC	0.90	0.66	4.08
	5	0.90	IC	0.90	0.67	3.90
	6	1.25	IC	1.25	1.25	5.25
	7	1.25	IC	1.25	1.25	10.77
	8	1.25	IC	1.25	1.22	9.65
	9	1.25	IC	1.25	1.25	10.59
	10	0.55	IC	0.45	0.34	1.53
	11	0.55	IC	0.44	0.33	2.18
	12	0.55	IC	0.50	0.35	2.62
	13	0.55	IC	0.50	0.50	2.42
	14	2.60	IC	2.20	2.20	11.78
	15	0.55	IC	0.45	0.36	1.85
	16	0.55	IC	0.45	0.35	2.21
	17	0.55	IC	0.45	0.45	3.02
	18	0.55	IC	0.45	0.37	2.55
	19	0.55	IC	0.40	0.34	2.08
	20	0.55	IC	0.45	0.45	3.22
	21	0.55	IC	0.42	0.34	1.50
	22	0.55	IC	0.45	0.45	1.74
	23	0.55	IC	0.55	0.55	2.55
	24	0.55	IC	0.45	0.45	2.13
	25	0.55	IC	0.55	0.50	3.09
	26	0.55	IC	0.55	0.55	2.57
	27	0.55	IC	0.55	0.55	3.59
	28	0.55	IC	0.55	0.55	2.60
	29	0.55	IC	0.55	0.55	2.43
	30	0.55	IC	0.55	0.55	2.77
	31	0.55	IC	0.55	0.55	3.79

Form:

GENERATION SUMMARY WORKSHEET

Utility: Madison Gas & Electric

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Line 37 - Fuel Burned Primary Fuel	Line 37 - Fuel Burned Secondary Fuel	Line 37 - Fuel Burned Tertiary	Line 38 - Fuel Htg Value Primary Fuel	Line 38 - Fuel Htg Value Secondary Fuel	Line 38 - Fuel Htg Value Tertiary
Coal (Tons)	Gas (Mcf.)	Oil (Bbls.)			
0	0	0.00	11,241 BTUs Per Lb.	1,000 BTUs Per Mcf.	139,022 BTUs Per Gal.
39,230	523,223	0.00	11,241 BTUs Per Lb.	1,000 BTUs Per Mcf.	139,022 BTUs Per Gal.
1,236	16,484	0.00	11,241 BTUs Per Lb.	1,000 BTUs Per Mcf.	139,022 BTUs Per Gal.
4,492	59,915	0.00	11,241 BTUs Per Lb.	1,000 BTUs Per Mcf.	139,022 BTUs Per Gal.
84,670	445,298	5,189 Tons Alt. Fuels	11,241 BTUs Per Lb.	1,000 BTUs Per Mcf.	13,009 BTUs Per Lb.
91,321	107,600	2,903 Tons Alt. Fuels	11,241 BTUs Per Lb.	1,000 BTUs Per Mcf.	13,009 BTUs Per Lb.
Gas (Mcf.)	Oil (Bbls.)				
2,190	50		997 BTUs Per Mcf.	0.00	
83,833	603		1,000 BTUs Per Mcf.	138,620 BTUs Per Gal.	
33,068	-		1,000 BTUs Per Mcf.	138,620 BTUs Per Gal.	
14,634	422		1,002 BTUs Per Mcf.	0.00	
53,896	335		1,002 BTUs Per Mcf.	139,388 BTUs Per Gal.	
675,380	2,042		1,006 BTUs Per Mcf.	136,533 BTUs Per Gal.	
Oil (Bbls.)			BTUs Per Gal.		
8.59			139,550		
4.35			139,550		
5.17			139,550		
5.52			139,550		
5.27			139,550		
7.10			139,550		
14.56			139,550		
13.04			139,550		
14.31			139,550		
2.07			139,550		
2.95			139,550		
3.55			139,550		
3.28			139,550		
15.92			139,550		
2.50			139,550		
2.98			139,550		
4.08			139,550		
3.44			139,550		
2.81			139,550		
4.35			139,550		
2.03			139,550		
2.36			139,550		
3.44			139,550		
2.88			139,550		
4.17			139,550		
3.48			139,550		
4.86			139,550		
3.51			139,550		
3.28			139,550		
3.75			139,550		
5.13			139,550		

GENERATION SUMMARY WORKSHEET

Utility: Madison Gas & Electric

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Form:

Utility: Madison Gas & Electric

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GENERATION SUMMARY WORKSHEET

Utility: Madison Gas & Electric

Form:

FERC Form 1 Page 402						
Plant Name	Unit ID	Generator Nameplate Capacity (MW)	Type of Prime Mover	Summer Capability (MW)	Winter Capability (MW)	Line 12 - Net Generation (MWH)
HYDRO	NONE					
WIND						
Kewaunee County	1	0.66	WIND	0.13	0.18	1,248.71
Kewaunee County	2	0.66	WIND	0.13	0.18	1,248.71
Kewaunee County	3	0.66	WIND	0.13	0.18	1,248.71
Kewaunee County	4	0.66	WIND	0.13	0.18	1,248.71
Kewaunee County	5	0.66	WIND	0.13	0.18	1,248.71
Kewaunee County	6	0.66	WIND	0.13	0.18	1,248.71
Kewaunee County	7	0.66	WIND	0.13	0.18	1,248.71
Kewaunee County	8	0.66	WIND	0.13	0.18	1,248.71
Kewaunee County	9	0.66	WIND	0.13	0.18	1,248.71
Kewaunee County	10	0.66	WIND	0.13	0.18	1,248.71
Kewaunee County	11	0.66	WIND	0.13	0.18	1,248.70
Kewaunee County	12	0.66	WIND	0.13	0.18	1,248.70
Kewaunee County	13	0.66	WIND	0.13	0.18	1,248.70
Kewaunee County	14	0.66	WIND	0.13	0.18	1,248.70
Kewaunee County	15	0.66	WIND	0.13	0.18	1,248.70
Kewaunee County	16	0.66	WIND	0.13	0.18	1,248.70
Kewaunee County	17	0.66	WIND	0.13	0.18	1,248.70
OTHER RENEWABLES						
Photovoltaics	1	0.004	SOLAR	0.004	0.004	0.00
Photovoltaics	2	0.005	SOLAR	0.005	0.005	0.00
				422.4	459.1	538,993.8
		518.1	MW TOTAL located in Wisconsin and operated by utility			

Generating Units Operated by others or located outside of Wisconsin

Columbia I		112.6	ST	112.7	112.7	807,039.00
Columbia II		112.4	ST	112.7	112.7	754,805.00
				225.4	225.4	1,561,844.00
		225.0	MW TOTAL for all generating units located outside of Wisconsin or operated by others (less joint plant amounts)			

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GENERATION SUMMARY WORKSHEET

Form:

Utility: Madison Gas & Electric

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COAL CONTRACT INFORMATION-SPECIFICATION AND COSTS

Particulars (a)	(b)	(c)
Vendor name	Vendor A	Vendor B
Term of agreement (mo/da/yr - mo/da/yr)	01-01-03 to 12-31-03	01-01-02 to 12-31-05
Plant name	Blount Generating Station	Columbia
Total cost of coal delivered	\$7,369,769	\$2,105,325
Total units delivered - 2,000 lb. tons	220,475	101,886
Avg. Btu's per lb. of coal delivered	10,948	8,570
Avg. percent moisture of coal delivered	15.60%	29.46%
Avg. percent sulfur of coal delivered	1.45%	0.38%
Avg. percent ash of coal delivered	9.03%	4.88%
	(h)	(i)
Vendor name	Vendor G	Vendor H
Term of agreement (mo/da/yr - mo/da/yr)	01-01-01 to 12-31-03	01-01-02 to 12-31-03
Plant name	Columbia	Columbia
Total cost of coal delivered	\$257,145	\$52,521
Total units delivered - 2,000 lb. tons	15,364	3,129
Avg. Btu's per lb. of coal delivered	8,389	8,626
Avg. percent moisture of coal delivered	30.58%	28.38%
Avg. percent sulfur of coal delivered	0.37%	0.36%
Avg. percent ash of coal delivered	4.58%	4.90%
	(n)	(o)
Vendor name		
Term of agreement (mo/da/yr - mo/da/yr)		
Plant name		
Total cost of coal delivered		
Total units delivered - 2,000 lb. tons		
Avg. Btu's per lb. of coal delivered		
Avg. percent moisture of coal delivered		
Avg. percent sulfur of coal delivered		
Avg. percent ash of coal delivered		
	(t)	(u)
Vendor name		
Term of agreement (mo/da/yr - mo/da/yr)		
Plant name		
Total cost of coal delivered		
Total units delivered - 2,000 lb. tons		
Avg. Btu's per lb. of coal delivered		
Avg. percent moisture of coal delivered		
Avg. percent sulfur of coal delivered		
Avg. percent ash of coal delivered		
	(z)	(aa)
Vendor name		
Term of agreement (mo/da/yr - mo/da/yr)		
Plant name		
Total units delivered - 2,000 lb. tons		
Avg. Btu's per lb. of coal delivered		
Avg. percent moisture of coal delivered		
Avg. percent sulfur of coal delivered		
Avg. percent ash of coal delivered		

(d)	(e)	(f)	(g)
Vendor C 01-01-02 to 12-31-03 Columbia \$2,266,862 110,570 8,403 30.53% 0.36% 4.64%	Vendor D 01-01-02 to 12-31-05 Columbia \$6,315,947 299,882 8,587 29.35% 0.39% 4.88%	Vendor E 01-01-02 to 12-31-04 Columbia \$5,053,571 242,279 8,439 30.19% 0.36% 4.72%	Vendor F 01-01-02 to 12-31-03 Columbia \$2,691,805 150,968 8,431 29.69% 0.32% 5.57%
(i)	(k)	(l)	(m)
Vendor I 01-01-02 to 12-31-05 Columbia \$252,941 12,380 8,505 28.82% 0.32% 5.28%	Vendor J 09-16-03 to 12-31-03 Columbia \$385,288 22,359 8,440 30.17% 0.37% 4.75%		
(p)	(q)	(r)	(s)
(v)	(w)	(x)	(y)
(bb)	(cc)	(dd)	(ee)

ELECTRIC DISTRIBUTION LINES

1. If a utility has available the number of poles, but not miles of pole line, it will be considered satisfactory to determine miles of pole line by multiplying number of poles by average length of span, indicating in a footnote the average span used.
2. Urban distribution lines and rural distribution lines are to be reported separately for Wisconsin and for outside the state.
3. Urban distribution lines are defined as lines inside corporate limits of incorporated places, lines in urban areas adjacent to such corporate limits, and lines in unincorporated communities with urban characteristics. All pole lines used for urban distribution, including joint distribution and transmission, other joint distribution lines, and joint use of foreign lines are to be reported

(a)	Miles of:		
	Pole Line (b)	U.G. conduit (subway) (d)	Buried Cable**
Lines in Wisconsin:			
Urban distribution lines—primary voltage)	579.3	108.2	616.0
Urban distribution lines—secondary voltage)			
Rural distribution lines—primary voltage)	387.5	0.2	108.5
Rural distribution lines—secondary voltage)			
Total in Wisconsin	966.8	108.4	724.5
Lines outside the state: NONE			
Urban distribution lines—primary voltage			
Urban distribution lines—secondary voltage			
Rural distribution lines—primary voltage			
Rural distribution lines—secondary voltage			
Total outside the state	0.0	0.0	0.0
Total lines of utility	966.8	108.4	724.5

*A breakdown between primary and secondary is not available.

**A change to line miles from cable miles was made beginning with the year 1994.

NAMES OF CITIES, VILLAGES, AND TOWNS

NUMBER OF CUSTOMERS IN EACH SUPPLIED DIRECTLY WITH ELECTRICITY BY REPORTING UTILITY AT END OF YEAR
 Report in alphabetical order first, cities, and second, incorporated villages. Next, report
 towns in alphabetical order under each county, also listed in alphabetical order. Show
 total for each group and for total company.

(CLASS A & B)

Location	Customers end of year	Location	Customers end of year
(a)	(b)	(a)	(b)
CITIES			
Fitchburg	10,514		
Madison	93,589		
Middleton	8,664		
Monona	4,525		
	117,292		
VILLAGES			
Black Earth	7		
Cross Plains	1,557		
Maple Bluff	590		
McFarland	293		
Shorewood	892		
	3,339		
TOWNS			
Dane County:			
Berry	335		
Black Earth	17		
Blooming Grove	859		
Burke	526		
Cottage Grove	169		
Cross Plains	399		
Dane	135		
Dunn	482		
Madison	3,827		
Middleton	1,153		
Roxbury	100		
Springdale	64		
Springfield	1,120		
Vermont	16		
Verona	38		
Westport	1,903		
	11,143		
Total	131,774		

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NAMES OF CITIES, VILLAGES, AND TOWNS

NUMBER OF CUSTOMERS IN EACH SUPPLIED DIRECTLY WITH GAS BY REPORTING UTILITY AT END OF YEAR

Report in alphabetical order by county: first, each city; second, each incorporated village; and third, each town in which the reporting utility has obtained Public Service Commission authorization to provide natural gas service and in which the reporting utility has in place natural gas facilities and has provided or is currently providing natural gas service.

Indicate the number of customers served in each municipality at the end of the year and tabulate the number of customers served in each county. Tabulate the total number of customers served by the company.

(Class A and B)

Location (a)	Customers end of year (b)	Location (a)	Customers end of year (b)
COLUMBIA COUNTY - Cities		Dane County Towns (continued)	
Lodi	1,103	Dunn	323
Towns		Madison	1,541
Arlington	3	Mazomanie	183
Dekorra	435	Middleton	1,939
Leeds	58	Montrose	55
Lodi	1,237	Roxbury	348
Westpoint	586	Springdale	23
Total Towns	2,319	Springfield	491
Total Columbia County Customers	3,422	Sun Prairie	21
CRAWFORD COUNTY - Cities		Verona	371
Prairie du Chien	2,531	Vienna	268
Villages		Westport	1,661
Bell Center	25	Windsor	1,973
Eastman	134	Total Towns	11,424
Gays Mills	220	Total Dane County Customers	117,280
Mount Sterling	66	IOWA COUNTY - Villages	
Soldiers Grove	211	Arena	287
Wauzeka	227	Barneveld	356
Total Villages	883	Ridgeway	236
Towns		Total Villages	879
Bridgeport	345	Towns	
Clayton	20	Arena	16
Eastman	19	Brigham	18
Prairie du Chien	443	Ridgeway	21
Seneca	95	Total Towns	55
Utica	18	Total Iowa County Customers	934
Wauzeka	18	JUNEAU COUNTY - Cities	
Total Towns	958	Elroy	600
Total Crawford County Customers	4,372	Towns	
DANE COUNTY - Cities		Plymouth	36
Fitchburg	6,330	Wonewoc	4
Madison	73,281	Total Towns	40
Middleton	6,497	Total Juneau County Customers	640
Monona	3,141	MONROE COUNTY - Villages	
Verona	3,372	Kendall	188
Total Cities	92,621	Norwalk	156
Villages		Wilton	182
Black Earth	533	Total Villages	526
Blue Mounds	296	Towns	
Cross Plains	1,231	Glendale	34
Dane	325	Ridgeville	6
DeForest	2,913	Wellington	1
Maple Bluff	562	Wilton	16
Mazomanie	642	Total Towns	57
McFarland	339	Total Monroe County Customers	583
Mount Horeb	2,123	VERNON COUNTY - Cities	
Shorewood Hills	754	Viroqua	1,783
Waunakee	3,517	Villages	
Total Villages	13,235	Readstown	156
Towns		Towns	
Berry	16	Kickapoo	11
Black Earth	19	Liberty	2
Blooming Grove	754	Viroqua	93
Blue Mounds	48	Total Towns	106
Burke	1,078	Total Vernon County Customers	2,045
Cottage Grove	8		
Cross Plains	240		
Dane	64		
		Total Gas Customers	129,276

GAS OPERATING EXPENSES

Particulars (a)	Wisconsin Jurisdictional Operations (b)	Other Jurisdictional Operations (c)	Total Operations (d)
OPERATING EXPENSES			
Manufactured gas production expenses (700-742)	\$0		All in
Purchased gas expenses (804-813)	111,909,886	None	Wisconsin
Total production expenses	111,909,886		
Storage expenses (840-848.3)	0		
Transmission expenses (850-867)	0		
Distribution expenses (870-894)	6,312,240		
Customer accounts expenses (901-905)	4,228,288		
Customer service expenses (907-910)	3,336,203		
Sales promotion expenses (911-918)	219,182		
Administrative and general expenses (920-935)	13,788,799		
Total operation and maintenance	139,794,598		
Depreciation expense (403)	6,906,959		
Amortization limited-term utility investment (404)	0		
Amortization of other utility plant (405)	0		
Amortization utility plant acquisition adjustment (406)	0		
Amortization of property losses (407.1)	0		
Amortization of conversion expenses (407.2)	0		
Taxes other than income taxes (408.1)	2,298,729		
Income taxes (409.1)	5,579,246		
Provision for deferred income taxes (410.1 and 411.1)	1,034,839		
Investment tax credits, restored (411.4)	-164,904		
Total operating expenses	\$155,449,467		

REVENUES FROM SALES OF GAS

Report data by rate schedule (including unbilled revenues and therms), classified between space heating and non-space heating customers and show totals for each account 480-484 incl. Report average number of customers on basis of number of meters. Where meters are added for billing purposes count one customer for each group of meters so added. Compute averages on basis of 12 month end figures. For industrial interruptible sales, report data by priority of interruption if not provided for by separate rate schedules.

Other operating revenues:

Report succinct statement of the revenues in each account showing separate totals for each account.

Report name of lessee and description of property for major items of rent revenue. Group other rents by classes.

Report basis of charges for any interdepartmental rents.

Report details of major items in Acct. 495 and group other items.

Rate schedule (a)	Wisconsin Geographical Operations		
	Revenues (b)	Therms (c)	Customers (d)
Residential (480)			
Nonspace Heating			
RD-1/FS-1	\$811,868	489,825	3,876
RD-2/FS-1	468	419	2
VRD-1/VFS-1	1,516	813	8
Space Heating			
RD-1/FS-1	88,191,600	93,510,990	105,944
RD-2/FS-1	23,961	26,289	30
PRD-1/FS-1	2,099,362	2,348,238	3,143
VRD-1/VFS-1	1,175,949	1,209,776	1,394
VRD-1/VFS-2	167,855	180,756	177
Total Account 480	\$92,472,579	97,767,106	114,574
Commercial & Industrial (481)			
Commercial Nonspace Heating			
GSD-1/FS-1	\$1,227,419	1,475,422	714
VGSD-1/VFS-1	9,971	10,596	12
GSD-2/FS-1	68,037	91,992	3
VGSD-2/VFS-1	42,842	58,197	1
GSD-3/BU-1/IS-1	151,904	235,894	1
GSD-2/FS-2	33,401	49,990	1
GSD-1/FS-2	28,122	37,645	7
GSD-1/BU-1/IS-1	524	-	1
GSD-2/FS-1/BU-1/IS-1	224,859	342,926	3
Commercial Space Heating			
GSD-1/FS-1	34,837,588	44,563,883	11,610
PGSD-1/FS-1	570,981	666,226	384
VGSD-1/VFS-1	544,739	660,331	230
GSD-2/FS-1	14,581,934	20,211,250	453
PGSD-2/FS-1	790,344	1,123,692	17
PGSD-2/FS-2	25,071	31,920	1
VGSD-2/VFS-1	152,614	208,101	4
GSD-3/FS-1	494,074	697,463	4
VGSD-1/VBU-1/VIS-1	39,310	54,340	3
VGSD-2/VBU-1/VIS-1	84,146	121,042	3
PGSDa/FS-1	424,569	566,997	52
PGSDa/FS-2	26,344	35,393	3
GSD-2/FS-2	1,190,625	1,696,035	35
VGSD-2/VFS-2	6,920	8,024	1
GSD-1/FS-2	1,392,053	1,850,372	385
VGSD-1/FS-2	88,451	109,524	28
PGSD-1/FS-2	15,197	18,259	8
PGSD-3/BU-1/IS-1	215,717	351,382	1
GSD-2/BU-1/IS-1	73,530	111,225	2
GSD-2/FS-1/BU-1/IS-1	1,281,334	1,926,027	22
GSD-3/BU-1/IS-1	159,950	252,380	1
VGSD-2/VFS-1/VBU-1/VIS-1	88,478	125,725	3
Industrial Nonspace Heating			
GSD-3/FS-1/BU-1/IS-1	37,885	56,560	1
GSD-1/FS-1	200	194	1
GSD-2/FS-1/BU-1/IS-1	174,050	264,118	2

REVENUES FROM SALES OF GAS (CONT.)

Rate schedule (a)	Wisconsin Geographical Operations		
	Revenues (b)	Therms (c)	Customers (d)
Industrial Space Heating			
GSD-1/FS-1	218,315	289,570	38
VGSD-2/VBU-1/IS-1	77,274	115,749	1
VGSD-1/VFS-1	3,497	4,364	1
PGSD-1/FS-1	1,911	2,216	2
GSD-2/FS-1	425,707	597,618	9
PGSDa/FS-1	8,603	11,443	1
GSD-2/FS-2	89,495	135,365	1
PGDS-3/BU-1/IS-1	581,177	949,653	2
GSD-3/FS-1	(1)	-	1
GSD-2/FS-1/BU-1/IS-1	69,150	100,662	1
GSD-3/BU-1/IS-1	307,490	488,897	1
GSD-3/FS-1/BU-1/IS-1	242,592	381,068	1
Other			
SD-1/BU-1/IS-1	848,566	1,374,231	31
VSD-1/VBU-1/IS-1	61,674	110,155	1
CNG-1	1,430	1,835	3
PSD-1/BU-1/IS-1	4,660	4,409	4
Total Account 481	\$62,024,723	82,580,360	14,095
Sales for Resale (483)	0	0	0
Interdepartmental (484)			
Firm			
GSD-1/FS-1	\$237,372	315,556	1
Interruptible			
IGD-1/IS-2	7,508,834	13,408,693	0
CNG-1	1,411	1,950	0
Total Account 484	\$7,747,617	13,726,199	1
Total Sales of Gas	\$162,244,919	194,073,665	128,670
Transportation (489)			
Commercial Nonspace Heating			
GSD-1/BU-1/DBS-1	\$5,424	14,844	2
GSD-2/BU-1/DBS-1	42,719	385,710	2
GSD-3/BU-1/DBS-1	130,296	1,530,732	4
Commercial Space Heating			
GSD-1/BU-1/DBS-1	21,992	88,939	6
GSD-2/BU-1/DBS-1	745,907	5,467,231	84
GSD-3/BU-1/DBS-1	909,927	10,838,186	23
GSD-2/FS-1/BU-1/DBS-1	9,127	63,679	1
VGSD-2/VBU-1/DBS-1	21,287	194,790	1
PGSD-2/BU-1/DBS-1	16,360	143,129	1

REVENUES FROM SALES OF GAS (CONT.)

Rate schedule (a)	Wisconsin Geographical Operations		
	Revenues (b)	Therms (c)	Customers (d)
Industrial Nonspace Heating PGSD-3/BU-1/DBS-1	\$101,881	1,184,525	3
Industrial Space Heating GSD-2/BU-1/DBS-1	13,540	130,754	1
PGSD-3/BU-1/DBS-1	569,353	7,081,158	11
Other			
SD-1/BU-1/DBS-1	16,891	221,943	1
IGD-1/BU-1/DBS-1	789,601	22,666,627	5
Total Account 489	\$3,394,305	50,012,247	145
Total Throughput	\$165,639,224	244,085,912	128,815
Forfeited Discounts (487)	\$335,428		
Miscellaneous Service Revenues (488)			
Miscellaneous	16,383		
Total Account 488	16,383		
Rent from Property (493)			
Land Rentals	19,525		
Miscellaneous	1,224		
Total Account 493	20,749		
Other Gas Revenues (495)			
Shared Savings Program	72,929		
Items Less Than \$25,000	29,040		
Total Account 495	101,969		
Penalty Revenues (497)	0		
Utility Incentive Revenues (498)	1,436,013		
Total Other Operating Revenues	\$1,910,542		
Total Wisconsin Operating Revenues	\$167,549,766		

GAS OPERATION AND MAINTENANCE EXPENSES

Particulars (a)	Total Amount (b)	Labor Expense (c)	Other Expense (d)	
MANUFACTURED GAS PRODUCTION EXPENSES				7
(List applicable prescribed accounts)				8
				9
Operation Supervision and Engineering (710)	\$0	\$0	\$0	10
Steam Expenses (711)	0	0	0	11
Other Power Expenses (712)	0	0	0	12
Liquified Petroleum Gas Expenses (717)	0	0	0	13
Fuel for LP Gas Production (723)	0	0	0	14
Liquified Petroleum Gas (728)	0	0	0	15
Miscellaneous Production Expenses (735)	-100,534	0	-100,534	16
Maintenance Supervision and Engineering (740)	0	0	0	17
Maintenance of Structures and Improvements (741)	0	0	0	18
Maintenance of Production Equipment (742)	0	0	0	19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
Total manufactured gas production expenses	-\$100,534	\$0	-\$100,534	35

GAS OPERATION AND MAINTENANCE EXPENSES (Cont.)

Particulars (a)	Total Amount (b)	Labor Expense (c)	Other Expense (d)
PURCHASED GAS EXPENSES			
Natural gas city gate purchases (804)	\$111,813,829	\$310,033	\$111,503,796
Other gas purchases (805)	0	0	0
Purchased gas expenses (807)	71,341	7,833	63,508
Gas withdrawn from stor.—Debit (808.1)	0	0	0
Gas delivered to stor.—Credit (808.2)	0	0	0
Gas used for other ut. op.—Cr. (812)	0	0	0
Other gas supply expenses (813)	125,250	74,122	51,128
Total purchased gas expenses	112,010,420	391,988	111,618,432
STORAGE EXPENSES NONE			
Operation supervision and eng. (840)			
Operation labor and expenses (841)			
Rents (842)			
Fuel (842.1)			
Power (842.2)			
Gas losses (842.3)			
Maint. supervision and eng. (843.1)			
Maint. of struct. & improv. (843.2)			
Maintenance of gas holders (843.3)			
Maint. of purification equip. (843.4)			
Maint. of liquefaction equip. (843.5)			
Maint. of vapor. equip. & other (843.6-843.9)			
Total storage expenses			
TRANSMISSION EXPENSES NONE			
Operation supervision and eng. (850)			
Sys. control & load dispatching (851)			
Communications system expenses (852)			
Compressor stat. labor & expen. (853)			
Gas for compressor station fuel (854)			
Other fuel & power for com. sta. (855)			
Mains expenses (856)			
Measuring & reg. stat. expenses (857)			
Trans. & comp. of gas by others (858)			
Other expenses (859)			
Rents (860)			
Maint. supervision & engineer. (861)			
Maint. of struct. & improv. (862)			
Maintenance of mains (863)			
Maint. of compr. stat. equip. (864)			
Maint. of meas. & reg. st. eq. (865)			
Maint. of communication equip. (866)			
Maintenance of other equipment (867)			
Total transmission expenses			
DISTRIBUTION EXPENSES			
Operation supervision & engin. (870)	437,810	437,810	0
Distribution load dispatching (871)	115,589	106,110	9,479
Compressor stat. labor & expen. (872)	0	0	0
Compressor station fuel & power (873)	0	0	0
Mains and services expenses (874)	952,926	702,561	250,365
Meas. & reg. stat. expen.—Gen. (875)	83,611	59,663	23,948
Meas. & reg. stat. expen.—Ind. (876)	34,044	26,391	7,653
Subtotal—dist. exp.—carried forward	\$1,623,980	\$1,332,535	\$291,445

GAS OPERATION AND MAINTENANCE EXPENSES (Cont.)

Particulars (a)	Total Amount (b)	Labor Expense (c)	Other Expense (d)	
dist. exp. (Amount brought forward)	\$1,623,980	\$1,332,535	\$291,445	
Meas. & reg. sta. ex.-City gate (877)	157,363	58,190	99,173	
Meter & house regulator expenses (878)	689,720	564,442	125,278	
Customer installations expenses (879)	412,801	534,447	(121,646)	
Other expenses (880)	1,693,853	956,230	737,623	
Rents (881)	28,979	0	28,979	
Maint. supervision & eng. (885)	163,383	163,383	0	
Maint. of struct. & improv. (886)	650	491	159	
Maintenance of mains (887)	487,525	255,958	231,567	
Maint. of compres. stat. equip. (888)	0	0	0	
Maint. of meas. & reg. st. eq.-Gen. (889)	150,543	63,974	86,569	
Maint. of meas. & reg. st. eq.-In. (890)	64,268	34,133	30,135	
Maint. of meas. & reg. st. eq.-City (891)	67,420	28,413	39,007	
Maintenance of services (892)	329,440	158,076	171,364	
Maint. of meters and house reg. (893)	367,321	249,680	117,641	
Maintenance of other equipment (894)	74,994	21,901	53,093	
Total distribution expenses	6,312,240	4,421,853	1,890,387	
CUSTOMER ACCOUNTS EXPENSES				
Supervision (901)	4,798	4,798	0	
Meter reading expenses (902)	614,139	402,689	211,450	
Customer records & collect. expenses (903)	2,839,324	1,914,027	925,297	
Uncollectible accounts (904)	582,364	0	582,364	
Misc. customer accounts expenses (905)	187,663	15,146	172,517	
Total customer accounts expenses	4,228,288	2,336,660	1,891,628	
CUSTOMER SERVICE EXPENSES				
Supervision (907)	30,737	30,737	0	
Customer assistance expenses (908)	2,502,039	1,827,780	674,259	
Informational advertising expenses (909)	357,678	25,144	332,534	
Misc. customer service/info. expenses (910)	445,749	80,902	364,847	
Total customer service expenses	3,336,203	1,964,563	1,371,640	
SALES PROMOTION EXPENSES				
Supervision (911)	0	0	0	
Demonstrating & selling expenses (912)	89,786	0	89,786	
Advertising expenses (913)	129,396	0	129,396	
Misc. sales expenses (916)	0	0	0	
Total sales promotion expenses	219,182	0	219,182	
ADMINISTRATIVE AND GENERAL EXPENSES				
Administrative and general salaries (920)	3,887,337	3,887,337	0	
Office supplies and expenses (921)	1,001,662	132,853	868,809	
Admin. expenses transferred-cr. (922)	0	0	0	
Outside services employed (923)	1,082,686	0	1,082,686	
Property insurance (924)	123,641	0	123,641	
Injuries and damages (925)	467,937	13,030	454,907	
Employee pensions and benefits (926)	5,363,347	74,000	5,289,347	
Regulatory commission expenses (928)	445,047	486,598	(41,551)	
Duplicate charges-cr. (929)	(72,023)	0	(72,023)	
Instit. or goodwill advert. (930.1)	6,610	0	6,610	
Misc. general expense (930.2)	917,692	41,013	876,679	
Rents (931)	294,987	0	294,987	
Maintenance of general plant (935)	269,876	99	269,777	
Total administ. & gen. expenses	13,788,799	4,634,930	9,153,869	
Total gas operat. & maint. expenses	\$139,794,598	\$13,749,994	\$126,044,604	

DETAIL OF NATURAL GAS CITY GATE PURCHASES, ACCOUNT 804

Particulars (a)	Total Amount (b)	Labor Expense (c)	Other Expense (d)	
PURCHASED GAS EXPENSES				
Wages and Salaries (804.11)	\$310,033	\$310,033	\$0	
Supplies and Expenses (804.12)	0	0	0	
Miscellaneous Purchased Gas Expenses (804.13)	0	0	0	
Gas Contract Reservation Fees (804.21)	363,985	0	363,985	
Gas Contract Commodity Costs (804.22)	97,231,841	0	97,231,841	
Spot Gas Commodity Costs (804.23)	5,681,614	0	5,681,614	
Other Gas Purchases (804.24)	1,644,693	0	1,644,693	
Gas Surcharges (804.25)	0	0	0	
Financial Instruments Expenses (804.26)	(1,444,759)	0	(1,444,759)	
Gas Purchase Miscellaneous Expenses (804.27)	0	0	0	
Gas Costs for Opportunity Sales (804.28)	8,804,653	0	8,804,653	
Purchased Gas Sold - Credit (804.32)	(8,862,426)	0	(8,862,426)	
Gas Commodity Costs Transferred to Storage - Credit (804.33)	(27,085,734)	0	(27,085,734)	
Gas Used in Utility Operations - Credit (804.34)	0	0	0	
Gas Used for Trans. Pumping & Compression - Credit (804.35)	(2,192,346)	0	(2,192,346)	
Total Purchased Gas Expenses	\$74,451,554	\$310,033	\$74,141,521	
TRANSMISSION EXPENSES				
Transmission Contract Reservation Fees (804.41)	\$10,735,414	\$0	\$10,735,414	
Commodity Transmission Fees (804.42)	601,752	0	601,752	
Gas Transmission Surcharges (804.43)	325,816	0	325,816	
Gas Transmission Fuel Expenses (804.44)	2,192,346	0	2,192,346	
No-notice Service Expenses (804.45)	395,525	0	395,525	
Other Transmission Fees and Expenses (804.46)	(108,883)	0	(108,883)	
Miscellaneous Transmission Expenses (804.48)	299,909	0	299,909	
Penalties, Unauthorized Use and Overrun, Utility (804.49)	0	0	0	
Penalties, Unauthorized Use and Overrun, End-User (804.51)	0	0	0	
Transmission Services Sold - Credit (804.52)	(1,638,363)	0	(1,638,363)	
Gas Transmission Expenses Transferred to Storage - Credit (804.53)	(143,122)	0	(143,122)	
Gas Trans. Expenses Used in Utility Operations - Credit (804.54)	0	0	0	
Gas Transmission Costs for Opportunity Sales (804.55)	47,914	0	47,914	
Total Transmission Expenses	\$12,708,308	\$0	\$12,708,308	
STORAGE EXPENSES				
Storage Reservation Fees (804.61)	\$3,418,508	\$0	\$3,418,508	
Stored Gas Costs for System Use (804.62)	21,341,373	0	21,341,373	
Storage Penalties (804.63)	0	0	0	
Stored Gas Costs for Opportunity Sales (804.64)	406,506	0	406,506	
Storage Capacity Released or Sold - Credit (804.72)	(111,613)	0	(111,613)	
Stored Gas Sold - Credit (804.73)	(400,807)	0	(400,807)	
Total Storage Expenses	\$24,653,967	\$0	\$24,653,967	
Total Expenses - Account 804	\$111,813,829	\$310,033	\$111,503,796	
PSCW Form Revised 11-01				

Name of Respondent	This Report Is:	Date of Report	Year of Report
Madison Gas and Electric Company	(1) <input checked="" type="checkbox"/> An Original	(Mo, Da, Yr)	
	(2) <input type="checkbox"/> A Resubmission		Dec. 31, 2003

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)

1. Report below the original cost of gas plant in service according to the prescribed accounts.
2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified-Gas.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts

on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions or prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals.

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. Intangible Plant		
2	301 Organization	\$310	\$0
3	302 Franchises and Consents	6,471	0
4	303 Miscellaneous Intangible Plant	0	0
5	TOTAL Intangible Plant	6,781	0
6	2. Manufactured Gas Production Plant		
7	304 Land and Land Rights	11,591	0
8	305 Structures and Improvements	52,753	0
9	306 Boiler Plant Equipment		
10	307 Other Power Equipment		
11	308 Coke Ovens		
12	309 Producer Gas Equipment		
13	310 Water Gas Generating Equipment		
14	311 Liquefied Petroleum Gas Equipment	526,624	0
15	312 Oil Gas Generating Equipment		
16	313 Generating Equipment - Other Processes		
17	314 Coal, Coke and Ash Handling Equipment		
18	315 Catalytic Cracking Equipment		
19	316 Other Reforming Equipment		
20	317 Purification Equipment		
21	318 Residual Refining Equipment		
22	319 Gas Mixing Equipment		
23	320 Other Equipment	33,422	0
24	TOTAL Manufactured Gas Production Plant	\$624,390	\$0
25	Other Storage Plant		
26	360 Land and Land Rights		
27	361 Structures and Improvements		
28	362 Gas Holders		
29	363 Purification Equipment		
30	363.1 Liquefaction Equipment None		
31	363.2 Vaporizing Equipment		
32	363.3 Compressor Equipment		
33	363.4 Meas. and Reg. Equipment		
34	363.5 Other Equipment		
35	TOTAL Other Storage Plant		

Name of Respondent	This Report Is:	Date of Report	Year of Report
	(1) <input checked="" type="checkbox"/> An Original	(Mo, Da, Yr)	
Madison Gas and Electric Company	(2) <input type="checkbox"/> A Resubmission		Dec. 31, 2003

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106)

of the prior years tentative account distribution of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in

column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
\$0	\$0	\$0	\$310	1
0	0	0	6,471	2
0	0	0	0	3
0	0	0	6,781	4
5,095			6,496	5
34,390			18,363	6
				7
				8
				9
				10
				11
				12
422,410			104,214	13
				14
				15
				16
				17
				18
				19
				20
				21
6,273			27,149	22
				23
\$468,168	\$0	\$0	\$156,222	24
				25
				26
				27
				28
				29
				30
				31
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				34
				35

Name of Respondent		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report
Madison Gas and Electric Company				Dec. 31, 2003

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
36	4. Transmission Plant			
37	365.1 Land and Land Rights			
38	365.2 Rights-of-Way			
39	366 Structures and Improvements			
40	367 Mains	None		
41	368 Compressor Station Equipment			
42	369 Measuring and Reg. Sta. Equipment			
43	370 Communication Equipment			
44	371 Other Equipment			
45	TOTAL Transmission Plant			
46	5. Distribution Plant			
47	374 Land and Land Rights	\$194,126		\$0
48	375 Structures and Improvements	325,724		0
49	376 Mains	103,701,542		3,751,547
50	377 Compressor Station Equipment	0		0
51	378 Meas. and Reg. Sta. Equip.-General	3,143,727		0
52	379 Meas. and Reg. Sta. Equip.-City Gate	1,434,384		740
53	380 Services	52,871,704		1,877,032
54	381 Meters	31,289,551		4,428,986
55	382 Meter Installations	0		0
56	383 House Regulators	6,736,343		658,709
57	384 House Reg. Installations	0		0
58	385 Industrial Meas. and Reg. Sta. Equipment	1,253,498		0
59	386 Other Prop. on Customers' Premises	0		0
60	387 Other Equipment	32,767		0
61	TOTAL Distribution Plant	200,983,366		10,717,014
62	6. General Plant			
67	389 Land and Land Rights	37,806		0
68	390 Structures and Improvements	235,482		62,020
69	391 Office Furniture and Equipment	19,935		0
70	392 Transportation Equipment	244,202		0
71	393 Stores Equipment	0		0
72	394 Tools, Shop, and Garage Equipment	1,496,819		190,146
73	395 Laboratory Equipment	199,416		0
74	396 Power Operated Equipment	138,602		2,100
75	397 Communication Equipment	669,310		36,260
76	398 Miscellaneous Equipment	0		0
76	Subtotal	3,041,572		290,526
77	399 Other Tangible Property	0		0
78	TOTAL General Plant	3,041,572		290,526
79	TOTAL (Accounts 101 and 106)	204,656,109		11,007,540
80	Gas Plant Purchased (See Instr. 8)	0		0
81	(Less) Gas Plant Sold (See Instr. 8)	0		0
82	Experimental Gas Plant Unclassified	0		0
83	TOTAL Gas Plant in Service	\$204,656,109		\$11,007,540

Name of Respondent	This Report Is:	Date of Report	Year of Report
Madison Gas and Electric Company	(1) <input checked="" type="checkbox"/> An Original	(Mo, Da, Yr)	
	(2) <input type="checkbox"/> A Resubmission		Dec. 31, 2003

GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				36
				37
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				44
				45
				46
\$0	\$0	\$0	\$194,126	47
0	0	0	325,724	48
362,568	0	0	107,090,521	49
0	0	0	0	50
0	0	0	3,143,727	51
0	0	0	1,435,124	52
417,246	0	0	54,331,490	53
0	0	0	35,718,537	54
0	0	0	0	55
43,720	0	0	7,351,332	56
0	0	0	0	57
0	0	0	1,253,498	58
0	0	0	0	59
0	0	0	32,767	60
823,534	0	0	210,876,846	61
				62
0	0	0	37,806	63
0	0	0	297,502	64
0	0	0	19,935	65
0	0	0	244,202	66
0	0	0	0	67
8,500	0	0	1,678,465	68
19,794	0	0	179,622	69
0	0	0	140,702	70
0	0	0	705,570	71
0	0	0	0	72
28,294	0	0	3,303,804	73
0	0	0	0	74
28,294	0	0	3,303,804	75
1,319,996	0	0	214,343,653	76
0	0	0	0	77
0	0	0	0	78
0	0	0	0	79
\$1,319,996	\$0	\$0	\$214,343,653	80
				81
				82
				83

ACCUM. PROVISION FOR DEPREC. OF GAS PLANT IN SERVICE (108)

Primary plant accounts (a)	Balance first of year (b)	S.L. Dpr. rate % used (c)	Accruals during year		Book cost of plant retired (f)
			Straight line amount (d)	Additional amount (e)	
PRODUCTION AND STORAGE ACCOUNTS (List each applicable account.)					
Structures and Improvements (305)	\$40,096	2.63	\$1,046	\$0	\$34,390
Liquified Petroleum Gas Equip. (311)	515,804	2.78	10,484	0	422,410
Other Production Equipment (320)	33,422	3.33	(1,507)	0	6,273
TRANSMISSION PLANT (None)					
Structures and improvements (366)					
Mains (367)					
Compressor station equipment (368)					
Measur. & reg. station equip. (369)					
Communication equipment (370)					
Other equipment (371)					
DISTRIBUTION PLANT					
Structures & improvements (375)	136,716	2.63	8,567	0	0
Mains (376)*	55,400,928	2.57	2,691,651	0	362,568
Compressor station equip. (377)	0	-	0	0	0
Meas. & reg. st. eq.-General (378)	1,550,840	3.83	120,404	0	0
Meas. & reg. st. eq.-City gate (379)	1,183,800	3.50	50,211	0	0
Services (380)	35,175,223	3.82	2,037,932	0	417,245
Meters (381)	12,216,041	5.00	1,588,098	0	0
Meter installations (382)	0	-	0	0	0
House regulators (383)	2,276,568	3.00	204,201	0	43,720
House reg. installations (384)	0	-	0	0	0
Ind. meas. & reg. sta. equip. (385)	782,057	4.00	50,141	0	0
Other prop. on cust. premises (386)	0	-	0	0	0
Other equipment (387)	31,356	5.56	1,411	0	0
GENERAL PLANT					
Structures & improvements (390)	44,849	2.22	5,745	0	0
Office furniture & equip. (391)	16,670	6.00	382	0	0
Transportation equipment (392)	111,246	(a)	92	0	0
Stores equipment (393)	0	-	0	0	0
Tools, shop & garage equip. (394)	740,144	5.00	79,333	0	8,499
Laboratory equipment (395)	148,612	5.56	10,812	0	19,794
Power-operated equipment (396)	88,684	(a)	172	0	0
Communication equipment (397)	149,707	7.69	47,763	0	0
Miscellaneous equipment (398)	0	-	0	0	0
Retirement Work in Progress	(229,517)	-	0	0	0
Pre-1990 cont. in aid of construction	1,702,057	-	0	0	0
Total	\$112,115,303		\$6,906,938	\$0	\$1,314,899

*See Copy 2, pages G-12 and G-13.

ACCUM. PROVISION FOR DEPREC. OF GAS PLANT IN SERVICE (cont.)

Cost of removal (g)	Salvage (h)	Other additions (deductions) (i)	Balance end of year (j)	(k)	(l)
				Total deprec. expense (cols. (d) and (e))	\$6,906,938
\$9,752	\$15,458	\$0	\$12,458	Less amounts charged to clearing accounts	0
118,945	105,231	0	90,164	Less amortization of pre-1990 cont. in aid of construction	491,076
2,576	4,083	0	27,149	Plus allocation of depr. on common plant	491,097
				Total gas depr. expense	\$6,906,959
				Total balance (col (j))	\$117,027,365
				Plus alloc. of reserve on common plant	9,125,088
				Total deprec. reserve for gas utility	\$126,152,453
				Explanation of items in Column (i):	
0	0	0	145,283	(1) Retirement work in progress change	\$76,640
44,580	7,578	0	57,693,009	(2) Amortization of pre-1990 contributions in aid of construction	(491,076)
0	0	0	0		
0	0	0	1,671,244		
0	0	0	1,234,011		
213,887	5,453	0	36,587,476		
0	0	0	13,804,139		
0	0	0	0		
27,785	641	0	2,409,905		
0	0	0	0		
0	0	0	832,198		
0	0	0	0		
0	0	0	32,767	Explanation of items in Column (c):	
0	0	0	50,594	a. No depreciation rate is certified for transportation and power-operated equipment, which are depreciated on a unit basis.	
0	0	0	17,052		
0	0	0	111,338		
0	0	0	0		
0	5,540	0	816,518		
0	8,000	0	147,630		
0	0	0	88,856		
0	0	0	197,470		
0	0	0	0		
0	0	(1) 76,640	(152,877)		
0	0	(2) (491,076)	1,210,981		
\$417,525	\$151,984	(\$414,436)	\$117,027,365		

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ACCUM. PROVISION FOR DEPREC. OF GAS PLANT IN SERVICE (cont.)

Cost of removal (g)	Salvage (h)	Other additions (deductions) (i)	Balance end of year (j)	(k)	(l)
\$34,679	\$2,736	\$0	\$40,574,418		
9,901	4,842	0	17,118,591		
\$44,580	\$7,578	\$0	\$57,693,009		

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SUMMARY OF GAS ACCOUNT

Report below the specified information for each operating area constituting a separate gas system.

Particulars (a)	Total all systems therms (b)**	System therms (c)	System therms (d)
System Name	Only one system		
Gas produced (gross):			
Propane - air	0		
Other gas	-	**All therms are reported dry.	
Total gas produced	0		
Gas purchased:			
Natural	195,011,950		
Other gas	-		
Total gas purchased	195,011,950		
Add: Gas withdrawn from storage	52,266,610		
Less: Gas delivered to storage	53,105,620		
Total (lines 14 + 18 + 19 - 20)	194,172,940		
Transport gas received	50,012,247		
Total gas del. to mains (lines 21 + 22)	244,185,187		
Gas sold (incl. interdepartmental)	194,073,665		
Gas used by utility	135,895		
Transport gas delivered	50,012,247		
Total (lines 24 + 25 + 26)	244,221,807		
Gas unaccounted for (lines 23 - 27)	(36,620)		

SUMMARY OF SYSTEM LOAD STATISTICS

Report below the data specified for each operating area constituting a separate gas system.

Particulars (a)	Total all systems therms (b)**	System therms (c)	System therms (d)
System Name	Only one system		
Maximum send-out in any one day	1,851,280		
Date of such maximum	01/22/03		
Maximum daily capacity:			
Total manufactured-gas production capacity	7,200		
Liquefied natural gas storage capacity	0		
Maximum daily purchase capacity *	2,022,580	*MGE has firm storage contracts for 86,078 DTH, firm transportation contracts for 110,180 DTH and 6,000 DTH contracted peaking service.	
Total maximum daily capacity: production liquefied natural gas storage, and purchases	2,029,780		
Monthly send-out:			
January	41,233,735		
February	36,793,391		
March	27,712,996		
April	17,659,589		
May	10,764,975		
June	8,766,145		
July	8,256,036		
August	10,713,900		
September	9,985,751		
October	13,307,468		
November	26,817,739		
December	32,210,082		
Total send-out	244,221,807		

PURCHASED GAS

Report below the specified information for each point of metering.

Particulars (a)	Total (b)	(c)	(d)
Name of vendor Point of metering - see page G-19 Type of gas purchased - Natural Therms of gas purchased per pipeline rate schedules: ANR ETS-1, ANR FTS-1, ANR ITS-1, ANR FSS, NNG FT-1, AND NNG IT-1 Total cost of gas purchased Average cost per therm of gas purchased per pipeline rate schedules: Maximum therms purchased in any one day Date of such maximum purchase (da/mo/yr) Average B.t.u. content per cu. ft. of gas	194,172,940 \$111,558,769 \$0.5745		
Name of vendor Point of metering - see page G-19 Type of gas purchased - all natural Therms of gas purchased per pipeline rate schedules: ANR ETS-1, ANR FTS-1, ANR ITS-1, ANR FSS, NNG FT-1, AND NNG IT-1 Total cost of gas purchased Average cost per therm of gas purchased per pipeline rate schedules: Maximum therms purchased in any one day Date of such maximum purchase (da/mo/yr) Average B.t.u. content per cu. ft. of gas	SUPPLIER "BH" 23,490,550 \$12,847,553 \$0.5469 493,700 26/11/03 1.010	SUPPLIER "LC" 64,390 \$53,514 \$0.8311 29,640 08/03/03 1.011	SUPPLIER "TL" 3,194,260 \$2,099,033 \$0.6571 49,070 01/01/03 0.996
Name of vendor Point of metering - see page G-19 Type of gas purchased - all natural Therms of gas purchased per pipeline rate schedules: ANR ETS-1, ANR FTS-1, ANR ITS-1, ANR FSS, NNG FT-1, AND NNG IT-1 Total cost of gas purchased Average cost per therm of gas purchased per pipeline rate schedules: Maximum therms purchased in any one day Date of such maximum purchase (da/mo/yr) Average B.t.u. content per cu. ft. of gas	System Transport \$6,239,268	System Transport \$5,760,182	SUPPLIER "PV" 11,927,320 \$7,021,540 \$0.5887 161,540 09/07/03 1.004

PURCHASED GAS

Report below the specified information for each point of metering.

(e)	(f)	(g)	(h)	(i)	(j)
SUPPLIER "AZ"	SUPPLIER "MA"	SUPPLIER "JE"	SUPPLIER "SQ"	SUPPLIER "AN"	SUPPLIER "KE"
9,911,880	(3,000)	2,093,430	7,699,720	26,411,040	3,185,160
\$5,464,253	(\$1,500)	\$1,088,686	\$3,725,957	\$14,217,409	\$2,083,927
\$0.5513	\$0.4999	\$0.5200	\$0.4839	\$0.5383	\$0.6543
170,920	(750)	49,060	96,710	199,300	49,070
11/03/03	13/12/03	01/01/03	13/09/03	14/08/03	01/01/03
1.011	1	0.996	0.99	0.995	0.996
SUPPLIER "HH"	SUPPLIER "HI"	SUPPLIER "DG"	SUPPLIER "CH"	SUPPLIER "KD"	SUPPLIER "HM"
362,990	14,280,660	2,181,810	8,148,000	0	10,211,020
\$190,060	\$8,121,730	\$1,091,196	\$4,474,126	(\$1,444,759)	\$5,900,681
\$0.5236	\$0.5687	\$0.5001	\$0.5491		\$0.5779
	172,270	49,390	106,820	0	149,390
	15/08/03	01/11/03	28/02/03	01/12/03	10/04/03
	1.005	1.01	1	1	1.007
SUPPLIER "E"	SUPPLIER "HK"	Notes:			
		Deliveries were made to the five gate stations of Madison Gas and Electric Company:			
357,750	15,356,720	(1) Madison Gate, Femrite Drive, City of Monona			
		(2) North Gate, Sec. 36, Town of Burke			
		(3) Windsor Gate, Sec. 36, Town of Leeds			
\$201,910	\$7,957,666	(4) South Gate, Sec. 17, Seminole Highway and Lacy Road,			
		City of Fitchburg.			
\$0.5644	\$0.5182	(5) Madison Town Border Station, Sec. 17, Seminole Highway and Lacy Road,			
		City of Fitchburg.			
		Deliveries were also made to the Gate Stations at Elroy Gas Company and			
		Viroqua Gas Company and the Gate Stations that service the Crawford			
		County area, including Prairie Du Chien.			
49,400	150,270	All therm quantities are reported dry.			
15/01/03	20/08/03				
1.007	0.995				

GAS MAINS CLASSIFIED BY TYPES AND SIZES

Classification (a)	Wisconsin		Other		Total	
	No. of feet beg. of year (b)	No. of feet end of year (c)	No. of feet beg. of year (d)	No. of feet end of year (e)	No. of feet beg. of year (f)	No. of feet end of year (g)
Cast Iron:						
Inches						
Inches						
Inches	None	None		All in Wisconsin		
Inches						
Inches						
Inches						
Inches						
Inches						
Total						
Steel:						
3/4 Inch	462	562				
1 Inch	21,410	21,410				
1 1/4 Inches	54,416	53,799				
1 1/2 Inches	33,037	33,589				
2 Inches	2,641,876	2,625,917				
3 Inches	35,940	35,940				
4 Inches	1,647,775	1,646,307				
6 Inches	792,242	792,365				
8 Inches	360,038	360,038				
10 Inches	33	33				
12 Inches	271,978	280,760				
16 Inches	15,646	15,646				
Total	5,874,853	5,866,366				
Plastic:						
3/4 Inch	15,045	15,362				
1 Inch	14,453	20,793				
1 1/4 Inches	21,425	21,425				
2 Inches	3,441,088	3,657,090				
3 Inches	9,226	9,226				
4 Inches	1,836,332	1,923,451				
6 Inches	270,459	280,704				
8 Inches	256	256				
Total	5,608,284	5,928,307				
Other (specify):						
Inches						
Inches						
Inches						
Inches	None	None				
Inches						
Inches						
Inches						
Inches						
Total						
Grand Total	11,483,137	11,794,673				

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GAS METERS

Number of meters should include only those carried in Utility Plant Account 381.		
Particulars (a)	Number end of year (b)	
Diaphragm meters (capacity at 1/2-inch water column pressure drop):		
2,400 cu. ft. per hour or less	132,847	
Over 2,400 cu. ft. per hour	212	
Rotary meters	547	
Turbine meters	14	
Total end of year	133,620	
In stock	3,279	
Locked meters on customers' premises	488	
Regular meters in customers' use	129,807	
Prepayment meters in customers' use	0	
Meters in company use, included in Account 381	46	
Total end of year (as above)	133,620	
No. of diaphragm meters at end of year which compensate for temperature:	133,059	
Number of house regulators installed at end of year	99,061	
Attach to this sheet a map or maps of the territory served, showing location & company designation of points of purchase, production plants, large compressor stations and transmission lines. Show also the names of larger communities served and the boundaries of the utility's operating divisions.		



Hirschman-Herfindahl Index Form
Public Service Commission of Wisconsin
P. O. Box 7854
Madison, WI 53707-7854

Utility No. 3270
Year Ended December 31, 2003
Page G-23

5003 (3-11-99)
page 2

	Class	Schedules	HHI	Is the Utility the Provider With the Largest Market Share?
1.	Residential	RD-1, RD-2	10,000	Yes
2.	Small Commercial and Industrial	GSD-1	9,965	Yes
3.	Medium Commercial and Industrial	GSD-2	6,584	Yes
4.	Large Commercial and Industrial	GSD-3	2,778	No
5.	Seasonal Off-Peak	SD-1	7,751	Yes
6.	Interruptible Generation	IGD-1	3,388	Yes
7.	Compressed Natural Gas	CNG-1	10,000	Yes
8.				
9.				
10.				
11.				
12.				
13.				
14.				

Add additional rows as necessary.

GAS STORED (ACCOUNTS 117, 164.1, 164.2, and 164.3)

1. If during the year, adjustment was made to the stored gas inventory (such as to correct cumulative inaccuracies of gas measurements), furnish in a footnote an explanation of the reason for the adjustment, the MCF and dollar amount of adjustment, and account charged or credited.
2. Give in a footnote, a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.
3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals upon "base stock," or restoration of previous encroachment, including brief particulars of any such accounting during the year.
4. If the company has provided accumulated provision for stored gas, which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of FERC authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ultimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during the year.
5. Report pressure base of gas volumes as 14.73 psia at 60 Degrees F. (See Note 1)

Line No.	Description (a)	Noncurrent (Account 117) (b)	Current (Account 164.1) (c)	LNG (Account 164.2) (d)	LNG (Account 164.3) (e)	Total (f)
1	Balance at Beginning of Year	.	\$12,948,160	.	.	\$12,948,160
2	Gas Delivered to Storage	.	\$22,032,367	.	.	\$22,032,367
3	Gas Withdrawn from Storage (contra Account)	.	(\$16,382,149)	.	.	(\$16,382,149)
4	Other Debits or Credits (Net)	.	\$0	.	.	\$0
5	Balance at End of Year	.	\$18,598,378	.	.	\$18,598,378
6	Therms	.	36,885,000	.	.	36,885,000
7	Amount Per Therm	.	\$0.5042	.	.	\$0.5042
8						

DETAIL OF STORED GAS ACCOUNT, ACCOUNT 164.1

The instructions for page 220 also apply to this schedule. Subaccounts shown below conform with the changes to the Uniform System of Accounts adopted by the Public Service Commission in docket 05-US-112, order issued January 17, 2001. Column (i) the sum of the dollar amounts in the subaccounts and should agree with the amounts reported for Account 164.1 on page 220.

Line No.	Description (a)	Commodity Storage Fees Account 164.11 (b)	Commodity Injection Fees Account 164.12 (c)	Other Storage Fees Account 164.14 (d)	Stored Gas Withdrawn or Forfeited - Credit Account 164.16 (e)
1	Balance at Beginning of Year	\$2,912	\$47,408	\$0	\$0
2	Gas Delivered to Storage	\$2,340	\$59,228		
3	Gas Withdrawn from Storage	(\$3,154)	(\$55,485)	\$0	
4	Other Debits or Credits (Net)	\$0	\$0		\$0
5	Balance at End of Year	\$2,098	\$51,151	\$0	\$0
6	Therms	36,885,000	36,885,000		
7	Amount Per Therm	\$0.0001	\$0.0014		

Line No.	Description (f)	Gas Commodity Costs Transferred to Storage - Debit Account 164.33 (g)	Gas Transmission Expense Transferred to Storage - Debit Account 164.53 (h)	Total Account 164.1 (i)
8	Balance at Beginning of Year	\$12,788,467	\$109,373	\$12,948,160
9	Gas Delivered to Storage	\$21,860,202	\$110,597	\$22,032,367
10	Gas Withdrawn from Storage	(\$16,200,788)	(\$122,722)	(\$16,382,149)
11	Other Debits or Credits (Net)	\$0	\$0	\$0
12	Balance at End of Year	\$18,447,881	\$97,248	\$18,598,378
13	Therms	36,885,000	36,885,000	36,885,000
14	Amount Per Therm	\$0.5001	\$0.0026	\$0.5042

Notes:

- The amounts reported reflect the cleared storage account balances as of December 31, 2003.

Name of Respondent Madison Gas and Electric Company	This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2003		
SECURITY HOLDERS AND VOTING POWERS					
<p>1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.) duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a List of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.</p> <p>2. If any security other than stock carries voting rights, explain in a footnote the circumstances whereby such security became vested with voting rights give other important particulars (details) concerning voting rights of such security. State whether voting right are actual or contingent; if contingent, describe the contingency.</p> <p>3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method explain briefly in a footnote.</p> <p>4. Furnish particulars (details) concerning any options warrants, or rights outstanding at the end of the year others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or right the amount of such securities or assets so entitled to purchased by any officer, director, associated company, or of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the public where the options, warrants, or rights were issued prorata basis.</p>					
<p>1. Give the date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:</p> <p>Payment of dividends on common stock on June 15, 2002, to shareholders of record at close of business on June 1, 2002.</p>		<p>2. State the total number of votes cast at the latest general meeting prior to end of year for election of directors of the respondent and number of such votes cast by proxy</p> <p>Total: 13,210,121</p> <p>By Proxy: 13,199,526</p>			
		<p>3. Give the date and place of such meeting</p> <p>May 14, 2002 Marriott Madison West 1313 John Q Hammons Drive Middleton, Wisconsin 53562</p>			
VOTING SECURITIES					
Line No.	Name (Title) and Address of Security Holder (a)	Number of Votes as of (date): December 31, 2003 Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	17,347,889	17,347,889		
5	TOTAL number of security holders	1	1		
6	TOTAL votes of security holders listed below	17,347,889	17,347,889		
7	MGE Energy Inc. (see Page 106.1)				
8	133 South Blair Street				
9	Madison, Wisconsin 53701				
10					
11					
12	Instruction No. 2 - None				
13					
14	Instruction No. 3 - None				
15					
16	Instruction No. 4 - None				
17					
18					

Schedule Page 106 Line No.: 7 Column: a
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Madison Gas and Electric Company (MGE) is a wholly owned subsidiary of MGE Energy, Inc. (MGE Energy). All information on Lines 1, 2, and 3 of this page pertain to MGE common stock. Outstanding shares of MGE Energy common stock at December 31, 2003, total 18,343,913.

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Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2003
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CONSTRUCTION OVERHEADS - ELECTRIC

1. List in column (a) to kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items. 2. On Page 218 furnish information concerning construction overheads. 3. A respondent should not report "none" to the page if no overhead apportionments are made, but rather should explain on Page 218 the accounting procedures, employed and the amounts of engineering, supervision and administrative costs, etc. which are directly charged to construction. 4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.

Line No.	Description of overhead (a)	Total amount charged for the year (b)
1	Company Engineering and Supervision	1,062,440
2	Administrative and General	142,680
3	Allowance for Funds Used During Construction	511,882
4	Payroll Taxes and Employee Pensions and Benefits	2,300,841
5		
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46	TOTAL	4,017,843

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2003
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GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. For each construction overhead explain: (a) the nature and extent of work, etc. the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Electric Plant instructions 3(17) of the U.S. of A.
3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

See Page 218.1

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

For line 1(5), column (d) below, enter the rate granted in the last rate proceeding. If such is not available, use the average rate earned during the preceding three years.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Capitalization (c)	Cost Rate Percentage (d)
1	Average Short-Term Debt & Computation of Allowance text	S 2,162,000		
2	Short-term Interest			s 1.29
3	Long-Term Debt	D 192,203,407		d 6.56
4	Preferred Stock	P		p
5	Common Equity	C 256,837,705		c 12.30
6	Total Capitalization	451,203,112		
7	Average Construction Work in Progress Balance	W 35,871,542		

2. Gross Rate for Borrowed Funds
$$s\left(\frac{S}{W}\right) + d\left(\frac{D}{D+P+C}\right) - \frac{S}{W} = 2.72$$

3. Rate for Other Funds
$$11 - \frac{S}{W} + p\left(\frac{P}{D+P+C}\right) + c\left(\frac{C}{D+P+C}\right) = 6.61$$

4. Weighted Average Rate Actually Used for the Year:
- a. Rate for Borrowed Funds - 2.99
 - b. Rate for Other Funds - 6.98

The amount of construction overheads is determined under the general rule that only costs which may be reasonably deemed to have been incurred because of construction are included as a part of construction costs.

In classifying salaries and wages between direct and overhead costs, the pay of construction employees up to and including the direct field supervision (usually done by foreman) is considered as direct labor, and the pay of engineering, accounting, and administrative officers, whether in the field or in the office, is classified as construction overhead.

ENGINEERING AND SUPERVISION*

This account includes the pay and expenses of engineers, surveyors, draftsmen, inspectors, superintendents, and their assistants applicable to construction work. Distribution to construction accounts for wages and salaries is based on a percentage of construction costs; for material and expenses, the distribution is based on a percentage of construction costs.

ENGINEERING SERVICES*

This account includes amounts paid to other companies, firms, or individuals engaged by the utility to plan, design, prepare estimates, supervise, inspect, or give advice or assistance in connection with construction work.

Distribution to construction accounts is made on the basis of actual costs assigned to each construction project as indicated by the company, firm, or individual engaged; and on the basis of a percentage of construction costs for each project.

GENERAL ADMINISTRATION*

This account includes pay and expenses of general administrative employees, general office salaries and expenses, and other items of general nature applicable to construction activities. Distribution to construction accounts is made on a percentage of construction costs.

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION*

Pursuant to an order of the Public Service Commission of Wisconsin (PSCW), the Company capitalizes an allowance for funds used during construction (AFUDC) at a rate which approximates the cost of capital applicable to utility operations. PSCW Docket 3270-UR-110 determined that AFUDC be computed at a rate of 10.58 percent on 50 percent of Construction Work in Progress beginning January 1, 2001, and PSCW Docket 3270-UR-111 determined that AFUDC be computed at a rate of 9.97 percent on 50 percent of construction work in progress beginning March 1, 2003.

*See page 217, column (b) for amounts capitalized.

Name of Respondent Madison Gas and Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2003
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NONUTILITY PROPERTY (Account 121)

1. Give a brief description and state the location of Nonutility property included in Account 121.
2. Designate with a double asterisk any property which is Leased to another company. State name of Lessee and whether Lessee is an associated company.
3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.
4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.
5. Minor Items (5% of the Balance at the End of the Year), for Account 121 or \$1 00,000. whichever is Less) may be-grouped by (1) previously devoted to public service (Line 44), or (2) other Nonutility property (Line 45).

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1	Lake water monitoring site	74,166	(1) 49,209	123,375
2	City of Madison, Dane County			
3				
4	Farm land and buildings	93,287		93,287
5	Town of Vienna, Dane County			
6				
7	Farm land and buildings	97,132		97,132
8	Town of Middleton, Dane County			
9				
10	Land	230,221	(2) 14,581	244,802
11	City of Madison, Dane County			
12				
13	Land	226,652		226,652
14	City of Madison, Dane County			
15				
16	Equipment for lease program	401,556		401,556
17	Various lessees - none are associated companies			
18				
19				
20				
21				
22				
23	(1) Remodel building			
24				
25	(2) Parking lot improvements			
26				
27				
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44				
45	Minor items - other nonutility property	107,879		107,879
46	TOTAL	1,230,893	63,790	1,294,683

Name of Respondent Madison Gas and Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2003
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**CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION PREMIUM ON CAPITAL AND
INSTALLMENTS RECEIVED ON CAPITAL STOCK (Accounts 202 and 205, 203 and 206, 207, 212)**

1. Show for each of the above accounts the amounts applying to each class and series of capital stock.
2. For Account 202, Common stock Subscribed, and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year.
3. Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203, Common Stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of the year.
4. For Premium on Account 207, Capital Stock, designate with a double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.

Line No.	Name of Account and Description of Item (a)	Number of shares (b)	Amount (c)
1	Premium on Capital Stock (207) -		
2	Premium on Common Stock	1,268,171	27,723,819
3			
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46	TOTAL	1,268,171	27,723,819

Name of Respondent	This Report Is-	Date of Report (Mo. Da. Yr)	Year of Report
Madison Gas and Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Dec. 31, <u>2003</u>
NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES			
<p>1. The data on number of employees should be reported construction employees in a footnote. for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.</p> <p>2. If the respondents payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special</p> <p>3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equi- valents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.</p>			
1. Payroll Period Ended (Date)	12/31/2003		
2. Total Regular Full-Time Employees	449		
3. Total Part-Time and Temporary Employees	19		
4. Total Employees	468		

Name of Respondent Madison Gas and Electric Company		This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, <u>2003</u>
PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS				
Report the information specified below, in the order given, for the respective income deduction and interest charges account. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.				
(a) Miscellaneous Amortization (Account 425): Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.				
(b) Miscellaneous Income Deductions: Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.				
(c) Interest on Debt to Associated Companies (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.				
(d) Other Interest Expense (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year				
Line No.	Item (a)	Amount (b)		
1	MISCELLANEOUS AMORTIZATION (425): - None			
2				
3	DONATIONS (426.1):			
4	MGE Foundation	2,556,003		
5	Other donations	325,835		
6	Subtotal - 426.1	2,881,838		
7				
8	LIFE INSURANCE (426.2):			
9	Renewal premiums, etc.	139,222		
10	Subtotal - 426.2	139,222		
11				
12	PENALTIES (426.3): - None			
13				
14	EXPENDITURES FOR CERTAIN CIVIC, POLITICAL & RELATED ACTIVITIES (426.4):			
15	Memberships	29,859		
16	Employee wages	1,753		
17	Legal and professional services	93,145		
18	Subtotal - 426.4	124,757		
19				
20	OTHER DEDUCTIONS (426.5):			
21	Amortization of certain costs relative to the MGE Innovation Center	53,333		
22	Amortization of weather insurance premiums	57,853		
23	Subtotal - 426.5	111,186		
24				
25	Total - 426	3,257,003		
26				
27	INTEREST ON DEBT TO ASSOC. COMPANIES (430): - None			
28				
29	OTHER INTEREST EXPENSE (431):			
30	Commercial paper (1.09% - 1.35%)	27,934		
31	Interest on tax adjustments (7% - 12%)	40,644		
32	Interest expense - deferred compensation reserve	72,201		
33	Interest on customer deposits	14,971		
34	Interest expense - trans. refund obligation	42,791		
35	Other - various rates	2,420		
36				
37	Total - 431	200,961		
38				
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40				
41				

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Name of Respondent Madison Gas and Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2003
ELECTRIC DISTRIBUTION METERS AND LINE TRANSFORMERS					
<p>1. Report below the information called for concerning distribution watt-hour meters and line transformers.</p> <p>2. Include watt-hour demand distribution meters, but not external demand meters.</p> <p>3. Show in a footnote the number of distribution watt-hour meters or line transformers held by the respondent under lease from others, jointly owned with others, or held otherwise than by reason of sole ownership by the respondent. If 500 or more meters or line transformers are held under a lease, give name of lessor, date and period of lease, and annual rent. If 500 or more meters or line transformers are held other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of accounting for expenses between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.</p>					
Line No.	Item (a)	Number of Watt-hour Meters (b)	LINE TRANSFORMERS		
			Number (c)	Total capacity (in (MVA) (d)	
1	Number at Beginning of Year	156,930	21,255	1,659	
2	Additions During Year				
3	Purchases	75,969	938	87	
4	Associated with Utility Plant Acquired				
5	TOTAL Additions (Enter Total of lines 3 and 4)	75,969	938	87	
6	Reductions During Year				
7	Retirements	89,323	542	28	
8	Associated with Utility Plant Sold				
9	TOTAL Reductions (Enter Total of lines 7 and 8)	89,323	542	28	
10	Number at End of Year (Lines 1 + 5 - 9)	143,576	21,651	1,718	
11	In Stock	11,735	1,957	224	
12	Locked Meters on Customers' Premises	455			
13	Inactive Transformers on System				
14	In Customers' Use	131,299	19,637	1,491	
15	In Company's Use	87	57	3	
16	TOTAL End of Year (Total 11 to 15. This should equal line 10)	143,576	21,651	1,718	

